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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
10TH DAY OF JANUARY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 10th day of January 1984, the place and date duly established for the holding of such meeting. The Acting President called the meeting to order and on roll call the following answered present:

Leroy King, Acting President  
H. Jesse Arnelle  
Charlotte Berk  
Anne Halsted  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

Melvin D. Lee, President

The Acting President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Dawn Atkinson, League of Women Voters; Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); Margaret Butz, Local 390/400; and David Novagrotski, Local 21.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) This is the first meeting of 1984 and elections for this year's Agency Officers were held the last meeting of 1983, and there are no changes.
- (b) Open House for Mercy Terrace was held on January 5. This 158 unit development is for Section 8 elderly persons of low income. Though not a Redevelopment Project, the Agency assisted by issuing the bonds for this development.
- (c) Tomorrow, January 11, several Commissioners and staff members will attend the Daniel Burnham Conference at the Sheraton Palace Hotel where Frank Cannizzaro, Project Director for the Rincon Point-South Beach project will be a featured speaker.

REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (d) Next Tuesday, January 17, by Special Order, at 3 p.m. the Board of Supervisors will hold a hearing on the Plan Amendment for the Rincon Point-South Beach Redevelopment Project.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the Assignment of Interest in the Disposition of Land Agreement for Lot 11, Site S-4; Hunters Point.

Acting President King opened the Public Hearing to hear all persons interested in this matter.

Resolution No. 1-84, requests authorization to assign 49% of the interest in the Land Disposition Agreement with Ms. Steva P. Cheatham to Gregory and Lavern Best for Lot 11, Site S-4 located off Whitney Young Circle on Hunters Point Hill in Hunters Point.

Mr. Hamilton reported on Item (a) as follows. In June, 1981 an LDA was authorized with Ms. Cheatham for the development of a single-family dwelling. Subsequent amendments were authorized with the last one occurring on December 20, 1983. Ms. Cheatham is retaining 51% and is assigning 49% interest to Mr. and Mrs. Best, her cousins, for the purpose of qualifying for adequate financing for the development. This home will be Ms. Cheatham's principal place of residence.

There being no persons wishing to appear regarding this matter the Acting President declared the Public Hearing closed.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 1-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in an Easement for Pedestrian ingress and egress for Parcel Z-12; Hunters Point.

Acting President King opened the Public Hearing to hear all persons interested in this matter.

Resolution No. 2-84, requests authorization of an easement for pedestrian ingress and egress to Antone and Pauline Vera over a portion of parcel Z-12 located at 1461 Innes Avenue; Hunters Point.

Mr. Hamilton reported on item (b) as follows. Mr. and Mrs. Vera are owners of 1457 Innes Avenue and have lived there for the past 30 years. Due to the expandable homes currently being built adjacent to their home, they will have no access to the rear of their lot without going through their home. The space between the Veras' home and their property line is not sufficient to allow the necessary access within their property.

There being no persons wishing to appear regarding this matter the President declared the Public Hearing closed.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. HAMILTON, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 2-84 BE ADOPTED.

- (c) Public Hearing to hear all persons interested in Disposition of Land Agreement for Parcel 1101-A; Western Addition A-2.

Acting President King opened the public hearing to hear all persons interested in this matter.

Resolution No. 3-84, requests authorization to enter into a Land Disposition Agreement with John and Yvette Marchock and Jeanette and Henry Fung, for Parcel 1101-A located on the north side of Ellis Street between Broderick and Divisadero Streets; Western Addition A-2.

Mr. Hamilton reported on item (c) as follows. On August 16, 1983, exclusive negotiations were entered into with Ms. Fung to construct two market rate residential condominiums containing two 2 bedroom units. Ms. Fung will sell one unit and live in the other. The Site is one of the 12 vacant sites having less than 10,000 square feet approved by the Commission for negotiated sale. The LDA performance dates will be to submit evidence of financing by July 18, 1984 and to convey the site by August 15, 1984.

Ms. Mary Rogers, WAPAC, indicated approval of this development, but noted her concern about the high rents in the area and asked if the Agency could come up with another method to develop housing in the area, because everyone is being priced out of the area.

There being no further persons wishing to appear regarding this matter the Acting President declared the Public Hearing closed.

Ms. Halsted indicated she was also concerned with what Ms. Rogers had expressed and believed that the Agency should be more attentive to the need for rental housing in the area. Mr. Hamilton responded that the Agency had done a good deal of below market development in the Western Addition and there is certainly a need for more. However, HUD believes they have provided more than enough assisted housing in the area and have opted not to provide any more. Then having the subsidies necessary to achieve the housing at the levels being addressed is a matter of financing. When a site is offered or negotiated at market rate, it is then sold at what the market will tolerate for the area. However, the Agency could consider alternatives for producing sites at below market prices as it did in Hunters Point. Ms. Berk noted that the Agency has gone from some hope of rental housing in this area to almost no hope of rental housing. Many developers were approved for rental housing, but due to financing problems had to change to condominiums. Presumably staff and the City has been exploring the possibilities, but all share this concern.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 3-84 BE ADOPTED.

- (d) Resolution No. 4-84, requests authorization of a Sixth Amendatory Agreement with Gene, George and Oletha Mabrey for Lot 2, Site S-4 parcel located off Whitney Young Circle on Hunters Point Hill; Hunters Point.

Mr. Hamilton reported on item (d) as follows. Approval of this matter was calendared for December 20, 1983, but the resolution relating to the Mabrey's was inadvertently not included in the meeting agenda package. The Mabrey's are requesting a 120 day extension for conveyance of their site. The LDA performance dates will be to submit evidence of financing by March 14, 1984 and to convey the site by April 18, 1984.

ADOPTION: IT WAS MOVED BY MS. HALSTED, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO 4-84 BE ADOPTED.

- (e) Resolution No. 5-84, requests authorization of a two-year contract with On-Target Delivery Service to perform the Agency's pickup and delivery service.

Mr. Hamilton reported on item (e) as follows. Staff has renegotiated the contract with On-Target with some reductions in the scope of services which will result in a savings to the Agency. Those changes are: Delivery service to and from Hunters Point has been reduced from twice to once a day; weekly hand deliveries to WAPAC and Mary Rogers will now be sent by mail; and the fixed Monday delivery to Commissioners has been eliminated as Staff found that it was used only about half the time. To replace this, each additional instance of delivery to the Commissioners will be charged at a fixed rate of \$48.00. The negotiated cost for these services for the first year of the contract is \$1,060.00 per month, a reduction from \$1,600.00 per month under the previous contract. The second year of the contract provides for the possibility of a negotiated increase of up to ten percent in these rates.

Ms. Mary Rogers, WAPAC, indicated she does not receive the Agency Agenda until after Tuesday's meeting. Mr. Hamilton inquired of the Agency Secretary as to when the Agenda's are mailed out and Ms. Oswald indicated the Tentative Agenda is mailed out eight days prior to the Agency meeting and the Final Agenda is mailed out the Friday before Tuesday's Agency Meeting. Acting President King suggested to Ms. Rogers that she should talk to her Post Office about late deliveries.

ADOPTION: IT WAS MOVED BY MR. HAMILTON, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 5-84 BE ADOPTED.

NEW BUSINESS (continued)

- (f) and (g) Resolution No. 6-84 requests authorization to extend to April 18, 1984 Exclusive Negotiating Rights with Olympia & York Equity Corp./Marriott Corp./Beverly Willis for the Central Blocks and Resolution No. 7-84 requests an extension to April 18, 1984 for the parcels located on the east side of Third Street between Mission and Howard Streets; Yerba Buena Center.

Mr. Hamilton reported on items (f) and (g) as follows. On October 4, 1983 the Commission granted Olympia & York an extension of three months until January 18, 1984. The requested extension will permit evaluation of the progress of the negotiations at that point and it is hoped that the full extension will not be needed. It is expected that after the draft Development and Disposition Agreement is executed by Olympia & York there will be an appropriate public review period prior to the Public Hearing and Commission consideration.

Acting President King expressed his hope that the negotiations would conclude very soon and that no other extensions would be needed. Ms. Berk indicated she also hoped the full extension would not be needed. Ms. Halsted indicated she echoed the same concerns expressed by Ms. Berk and Acting President King.

ADOPTION: IT WAS MOVED BY MR. HAMILTON, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION 6-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 7-84 BE ADOPTED.

- (h), (i), (j), (k) & (l) Resolutions Nos. 8-84, 9-84, 10-84, 11-84 and 12-84 are all items related to the renegotiations of the Memoranda of Agreement with Local 390/400 and the International Federation of Professional and Technical Engineers, Local 21.

Mr. Hamilton reported on items (h), (i), (j), (k) and (l) as follows. The latest negotiations have resulted in proposed two year Agreements through December 31, 1985. Many of the same provisions were negotiated into both Agreements. The more significant items include: Modified Agency Shop provisions, Agreement on direct City comparability for Agency salaries, revision of holiday provisions, update of employer contribution rates to medical plans, addition of a dental plan, establishment of a Joint Benefits Committee to review benefit costs, financing and alternative benefits, provision for recapturing from final pay the value of unearned vacation taken by an employee prior to separating, expansion of employee evaluation provision, expansion of severance pay provisions in case of layoff and finally an addition of a PERS contract option to grant service credit for unused sick leave at the time of retirement.



NEW BUSINESS (continued)

A number of other concerns relating to such matters as reclassifications, seniority rights, recall rights, layoff procedures, and grievance procedures were also resolved in the negotiation process. Staff believes that the negotiations were conducted in a constructive manner and that they fairly resolved a wide range of Union and management concerns.

It should be noted that these are "package" Agreements - they were negotiated as a total package and represent management's and the Unions' best effort at settlement of a wide variety of issues.

Although there are items which require separate action, Commission's approval of the Agreements actually commit the Agency to all of the provisions for the Union bargaining unit employees and, for those items that have Agency-wide significance, the approval of the Agreements really commit the Agency to those benefits or policies for all Agency employees.

Besides action being requested on the Memoranda of Agreements for item (h) for Local 390/400 and (i) for Local 21, authorization is also requested for item (j) which would amend the Holiday Provisions of the Agency Personnel Policy by 1) adding Martin Luther King's birthday (the third Monday in January). This has been declared a State and City Holiday; 2) the change of a fixed holiday, which is Lincoln's birthday, to a third personal floating holiday. This is significant as the Agency offices would be open on a State holiday; and 3) New employees hired after July 1 would be limited to one floating holiday the first calendar year.

Item (k) the Dental Plan with California Dental Service. The Agency would pay 100% of employee coverage and 80% of the dependent coverage for the basic plan beginning February 1 of this year. Cost to the Agency is estimated at \$33,000 per year and \$3,000 to the employees. Effective February 1, 1985 an orthodontia plan would be added with an estimated cost of \$3,500 per year for the Agency and \$600 for the employees. Item (l) requests authorization to file an Intent to Amend the Public Employees Retirement System Contract to add an option for service Credit for unused Sick Leave at Retirement. This option would grant employees additional service credit on a day for day basis for any sick leave earned following adoption of the contract amendment and unused at the time of an employee's retirement. The cost to the Agency for this option would be approximately \$12,000 per year. State law requires that this resolution of intent be adopted at least 20 days before final action is taken. Therefore, final action would be scheduled for approval on January 31 to be effective February 13, 1984.

Ms. Margaret Butz, representing Local 390/400 indicated that the members were happy with the Memorandum of Agreement; felt it was a fair compromise; were encouraged by the nature of the negotiations in resolving a number of issues that were important to both sides and urged Commission approval.

NEW BUSINESS (continued)

Mr. David Novagrotski, representing Local 21, indicated the Agency has good labor relations and urged Commission support.

Ms. Shirley Wysinger, Assistant Community Development Specialist, Western Addition A-2, indicated she opposed eliminating Lincoln's Birthday as a holiday and substituting for it a personal floating holiday and requested that the Commission consider other alternatives. Mr. Hamilton indicated he had replied to Ms. Wysinger's opposition by memorandum and appreciated her concerns, but believed the terms of the Agreements worked out with the Unions were equitable and recommended Commission approval.

Regarding the Dental Plan, Ms. Halsted inquired if the \$50 lifetime deductible was correct, as it seemed a generous provision and Mr. James Nybakken, Personnel Officer, indicated that was correct.

Ms. Berk indicated that, speaking to Ms. Wysinger's concerns, it appeared the Agency had added Martin Luther King's Birthday and subtracted Abraham Lincoln's and, though that is obviously not the intention, it may be the perception. The other thing that disturbed her was that if Lincoln's Birthday is a City holiday the Agency will be open while the other departments will be closed.

Mr. Hamilton indicated that they had found that with the lending institutions open and private industry unaffected that the Agency's business is unaffected.

Ms. Halsted inquired what the Committee for Cost Control would do and who would serve on the Committee and Mr. James Nybakken indicated this Committee would look at various ways of containing costs and possible alternative ways of financing benefits. Committee members would come from both Unions and from management and hopefully in a manner of cooperation try to best fulfill the needs of all Agency employees.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 8-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 9-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. HALSTED, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 10-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 11-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 12-84 BE ADOPTED.

NEW BUSINESS (continued)

- (m) Resolution 13-84, requests authorization for Mrs. Helen Sause, Project Director, Yerba Buena Center; Mr. James H. Wilson, Project Director, Hunters Point; and Mr. Thomas Conrad, Chief, Planning and Programming to travel to Monterey, California to attend the NAHRO Bi-Chapter meeting being held January 29 - 31, 1984.

Mr. Hamilton reported on item (m) as follows. Mrs. Sause will speak at the session on the 1983 Housing Act, and she and Mr. Conrad will attend the Bi-Chapter meeting of the Community Revitalization and Development Committee. Mr. Conrad will participate on the panel, "The Pros and Cons of Redevelopment". As Chairman of the Professional Development Committee of the Northern California Chapter, Mr. Wilson will chair a joint meeting of the Bi-Chapter Standing Committees. There will be an opportunity to attend other sessions including hearing Karen Hodge, Director of California Housing Finance Agency address current CHFA issues which directly affect this Agency's programs. The cost to the Agency for this travel including lodging, registration, and per'diem expenses will not exceed \$900.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO.13-84 BE ADOPTED.

- (n) Resolution No. 14-84, requests authorization for Mrs. Helen Sause, Project Director, Yerba Buena Center, to travel to Washington, D.C. to attend NAHRO's Legislative Conference Board of Governors' meeting, and the National Community Revitalization and Development Committee Meeting on February 2 - 7, 1984.

Mr. Hamilton reported on item (n) as follows. Mrs. Sause will Chair the CR & D Committee and will be attending the Board of Governors' meeting as a member of the Steering Committee. She will also participate in the Legislative Conference which provides an opportunity to meet with Congressional representatives. The Conference also provides an opportunity to evaluate legislative proposals and the Administrations' proposals for the CDBG program and funding appropriations, both of which will have a critical effect on the Agency's ability to carry out its activities. The Agency's participation in NAHRO is even more essential than in past because it is the most effective conduit the City has to influence the Administration and legislators. The cost to the Agency including air fare, hotel, and per diem will not exceed \$1,800.

Mr. Hamilton indicated that though he had been requested and usually would attend, in the interest of husbanding funds he would not be going. Ms. Sause's attendance is predicated on no conflict between the YBC circumstances and this travel schedule, and should there be a conflict she will not go.

Ms. Berk indicated she would like to echo Mr. Hamilton's comments and was sure Ms. Sause would not go if she needs to be here for YBC.

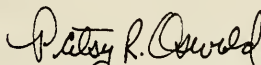
ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 14-84 BE ADOPTED.



ADJOURNMENT

It was moved by Ms. Halsted, seconded by Mr. Arnelle, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:02 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Patsy R. Oswald".

Patsy R. Oswald  
Secretary

APPROVED

January 24, 1984



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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
24th DAY OF JANUARY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 24th day of January, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Anne Halsted  
Haig G. Mardikian  
Walter S. Newman

and the following was absent:

H. Jesse Arnelle (arrived at 4:30 p.m.)

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Dawn Atkinson, League of Women Voters; Ocie Mae Rogers, Joint Housing Committee; Jim Stratten, R & J Futuristic, Inc.; Curtis Jones, Willis Hartwell, Liberation House; Mary Rogers, Western Addition Project Area Committee (WAPAC); U. J. Montgomery, Fillmore Development Corporation; Ted Frazier, Clarence Sterns, R. Ballard and Essie Collins, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Halsted, and unanimously carried that the minutes of the regular meeting of January 10, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The Board of Supervisors at their meeting yesterday passed on second reading the plan amendment for the Rincon Point-South Beach Redevelopment Project Area and is now on to the Mayor for signature.
- (b) This Friday, January 27 the Board of Supervisors' Planning Housing and Development Committee will hold a hearing to consider the Rincon Point-South Beach Redevelopment Plan to evaluate the progress in implementation of the project. This item was continued from their meeting of December 20, 1983 and is an outgrowth of CDBG funding. Staff will be there to cover the meeting.

REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (c) As you may have read in today's paper our newest Commissioner, Ms. Anne Halsted has been appointed to the Port Commission as their first woman Commissioner. Her leaving will be sad but her appointment to the Port Commission is to be congratulated.

UNFINISHED BUSINESS

- (a) Resolution No. 18-84 requests authorization of a Second Amendatory Agreement which revises the conveyance date from January 24 to February 14 in the LDA with Liberation House for 1724-1728 Steiner Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. This item was before the Commission last week and by motion the conveyance date in the LDA was extended from January 17 to January 24, 1984, to allow further consideration of the time extension requested. At the time of last week's meeting the City had not yet issued a building permit, due to the requirement that the Developer conform to the Handicap Access Regulations. On January 19, the City's Bureau of Building Inspection advised that the developer had satisfied the City's concerns about the Handicap Access Regulations and accordingly approved the issuance of the building permit. While the issuance of the building permit satisfies the requirements of the LDA, staff in response to Commissioner concerns, requested the developer to submit documentation from the City clarifying those requirements relative to Liberation House's contract with the City's Department of Public Health Community Substance Abuse Services as it relates to handicapped persons. The developer obtained a letter from Public Health which notes that Liberation House is licensed to provide the relevant services to ambulatory, (not wheelchair) patients, and that they may refer physically disabled persons to the Alcoholism Evaluation and Treatment Center located at San Francisco General Hospital. Staff contacted the City's Department of Public Health who confirmed that under State and Federal funding requirements Liberation House is only required to accept the sensorially handicapped (deaf and blind), because there are specific facilities provided by the City for those that require wheelchair access. Given that there are adequate facilities for the handicapped provided by the City, Liberation House understandably does not have to provide such special facilities. A representative from the Department of Public Health is present to respond to any concerns.

Ms. Mary Rogers, WAPAC, indicated her approval of this item and that she had met with the Director of Liberation House and a Board Member who have assured WAPAC that in the future they will make the building accessible to handicapped people.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 18-84 BE ADOPTED.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the Land Disposition Agreement for Parcel S-3, Hunters Point.

President Lee opened the Public Hearing to hear all persons interested in this matter.

Resolution No. 20-84 requests authorization of a Land Disposition Agreement (LDA) with R. & J. Futuristic, Inc. for Parcel S-3 bounded by Whitney Young Circle, Cashmere Street, La Salle Avenue, and Site S-4 in Hunters Point.

Mr. Hamilton reported on item (a) as follows. In November, 1983, exclusive negotiations were approved with R. & J. Futuristic, Inc., which is composed of Mr. James Stratten, Dr. Rhody McCoy, Sr., and Mr. Rhody McCoy, Jr. The developer is also constructing 67 single family homes which are well under way on Parcels S-1 and S-2 in Hunters Point and expect to use essentially the same development team to develop Site S-3, which will have 23 three-bedroom, 2 1/2 bath units selling from \$125,000 to \$135,000. The developer proposes to request the use of SB-99 tax-exempt mortgage bonds to provide permanent financing for the units. The development was included in an Agency offering prior to the April 25, 1979 transition date specified in the Mortgage Subsidy Bond Tax Act of 1980 and the public offering included provisions for utilizing SB-99 financing. Therefore, staff believes this development should be subject to the old Federal rules which are less restrictive than current ones. The developers advise this development will probably not proceed unless tax free bond financing is available. Bond counsel is reviewing this matter and will render an opinion shortly. The remaining performance dates for the LDA are Submission of Evidence of Financing by July 11, 1984 and Conveyance of the site by August 8, 1984.

There being no persons wishing to appear regarding this matter the President declared the public hearing closed.

Mr. James Wilson, Project Director, Hunters Point/India Basin, indicated that staff now has a qualifying opinion by Bond Counsel.

Mr. Richard Kono, Chief of Real Estate, indicated that there has been an administrative change to the published copy of the Land Disposition Agreement related to the Homeowner's Association, the CC&R's, and the Developer's have agreed to the revised language.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 20-84 BE ADOPTED.

- (b) & (c) Both items request authorization of Exclusive Negotiations until April 24, 1984, with Otto and Kenneth Albright for purchase and rehabilitation of two buildings in the Western Addition A-2. Item (b), Resolution No. 21-84 is for the building located at 1335 Pierce Street, a three-story single-family 1887 Victorian and Item (c), Resolution No. 22-84 is for the building located at 1905-1907 O'Farrell Street, a two-story, two-unit 1880 Italianate Victorian.

NEW BUSINESS (continued)

Mr. Hamilton reported on items (b) and (c) as follows. The Albright's response to rehabilitation Offering No. 22 was the highest qualified under Preference Category II for Non-Certificate of Preference Holders. In Preference Category I, which is for Certificate Holders, Fillmore Cooperative Development Corp. submitted a response for both buildings. However, they were found to be deficient of the required evidence of financial capacity. They also listed three Certificate of Preference Holders, which were verified by staff to be valid; however, the offering requires at least 51 percent ownership interest and equity capital participation, which was not submitted and the response was determined to be non-responsive. The response the Albright's submitted provided satisfactory evidence of their rehabilitation experience and financial capacity to undertake the project and they meet all other criteria of the offering.

Mr. Ulysses J. Montgomery, representing the Fillmore Cooperative Development Corporation, indicated disagreement with staff's recommendation. He read portions of a January 24, 1984 mailgram which he had sent to the Commission: "MCO Consulting Engineers, Inc. in concert with the Fillmore Cooperative Development Corporation (FCDC) a proposed California Limited Partnership, owned by approximately 50 individuals of which 60 percent of the equity is owned by Western Addition A-2 Certificate of Preference holders, has submitted the apparent qualifying bids as Category I, (Certificate of Preference holders) for six of the eight buildings offered in Rehab Offering #22. On Monday, January 23, 1984, at 10 a.m. in a meeting at the San Francisco Redevelopment Agency we were verbally informed that our December 8, 1983 response to the above referenced offering was deficient in submittal of evidence of financial capacity and source of equity capital required for the purchase and rehabilitation of the properties, and was therefore determined by Agency staff to be non responsive. We did in fact submit evidence of financial capacity, the source of equity capital, and a program for capitalization of the projects with a minimum of 60 percent ownership by A-2 Certificate of Preference holders, i.e. real estate syndication, ERA partnership mortgage, shared equity and project revenue bond financing. Furthermore, Western Addition Project Area Committee (WAPAC), the official community reviewing agency, has not reviewed and made its recommendations to the Agency in accordance with the Memorandum of Understanding between the Agency and WAPAC. We hereby appeal the Agency staff's recommendations on this matter, and request the Commission to defer action until: (1) We have been informed of the "specific criteria" for determining financial capacity (we have repeatedly requested Agency staff to supply us with this information, as the lack of "financial capability" has been cited as the reason for the rejection of several proposals from the undersigned and our clients); (2) WAPAC has had an opportunity to review and evaluate all responses; and (3) Agency staff evaluate our financial capability on the same basis as they evaluate other prospective real estate syndications, i.e. the prospective developers being permitted to document their financial capability after award of exclusive negotiating rights (reference Memorandum to the Agency Commissioners #205-54781-002 dated September 23, 1981).



NEW BUSINESS (continued)

This is a memo requesting the Commission to approve the award of exclusive negotiating rights to the Catalyst Corporation for some buildings in A-2. In that memorandum they stated that the Developer would document his financial capacity during the period of exclusive negotiating rights. The proposed rejection is the latest in a 13 year practice of rejecting all proposals submitted to the Agency in which U. J. Montgomery was a principal or consultant, and it appears to be arbitrary, capricious, and a violation of public policy."

Ms. Mary Rogers, WAPAC, indicated that some certificate holders were under the impression that if a package were picked up and a bid submitted, a \$2,500 deposit on each site would be required. The certificate holders did not understand that one deposit could have been made for all of the parcels being offered. That was not clarified in the brochure; therefore, Ms. Rogers requested that in the future Agency staff be more specific about requirements.

Mr. Wilbur W. Hamilton, Executive Director, indicated that the Agency had always and continues to abide seriously by its commitment to certificate holders and their interest in A-2. In response to Mr. Montgomery's mailgram and to points raised in his presentation, Mr. Hamilton indicated that during the course of evaluating offering responses, Mr. Montgomery was informed that the submittal of Fillmore Cooperative Development Corporation was non responsive because no financial statements were included. This information was provided to Mr. Montgomery within two weeks of the response opening on December 8, 1983. Mr. Montgomery indicated at that time the non responsiveness was a matter of interpretation and left the office. Additionally, the verbal notice to Mr. Montgomery on Monday, January 23, 1984 was a confirmation of a letter that had been sent to him on January 20 advising him that staff would recommend that the Agency enter into exclusive negotiations with the next highest respondent at the Commission meeting of January 24, 1984. Mr. Hamilton indicated further that the determination of evidence of financial capacity rests with the Agency based upon required submittals concerning assets and staff's examination of what those assets were as provided by the respondent. The offering clearly required submittal of financial statements of the respondent and tax returns to support same. There were no financial statements submitted with the response (although sample forms were included in developers' packets) nor were tax returns to support the equity capital submitted. Three certificate holders were indicated by name in the submittal package although there were references to a partnership and corporation in which shares would be purchased by those and other certificate holders. However, no indication of actual assets available to any of these individuals was included with the submission, only their names. Eleven days after the response opening, additional materials were submitted by Mr. Montgomery including projected financial statements of the respondent and its general partners after the proposed capitalization plan and tax-free reorganization. However, materials substantiating the availability of equity capital required in the submission were still not present. A meeting was held with a representative of WAPAC on January 19, 1984. The Executive Director of WAPAC was invited but did

NEW BUSINESS (continued)

not attend. The reasons for rejecting the response of FCDC was reviewed in this meeting. The next highest response was reviewed for compliance with the offering. The determination of financial capacity is based under the terms of the offering upon submission of financial statements and tax returns to "satisfy the Agency that respondent has or can qualify to furnish sufficient funds to complete the purchase and rehabilitation of the site at the response price offered pursuant to the rehabilitation standards". That cannot be prospective, that cannot be speculative, it must be clear evidence of the availability of funds to meet that task. FCDC's response did not specifically indicate any assets currently owned by any of the certificate holders listed or by the proposed corporation. By Mr. Montgomery's own estimate of the seed capital needed for this proposal, \$105,000 would be required and an additional \$315,000 of equity capital. However, the availability of these amounts was not provided in the response. Mr. Montgomery indicated he did not wish to solicit funds. He did have to provide evidence of the availability of those funds but it was not provided in the submission as required by the offering. Reference was made to the last paragraph of a Commission Memorandum granting exclusive negotiations to Catalyst for several buildings. While Catalyst was allowed to submit evidence of equity capital during exclusive negotiations, that was to have been a negotiated sale, not the result of a public offering. It was specifically structured to achieve a desired result, it was non competitive and therefore the requirement to respond to the highest respondent did not exist. In this case, however, the offering clearly provided that the determination to enter into exclusive negotiations would depend on evidence of equity capital submitted in the response. Although Mr. Montgomery submitted a response in good faith, it was not responsive. It would be unfair to those who have responded to the offering conditions to do otherwise and to award on the basis of Mr. Montgomery's criteria.

President Lee inquired if WAPAC had made a recommendation for Offering No. 22, and Mr. Hamilton indicated that WAPAC does not make recommendations on such issues. However, because of concern expressed, the Executive Director of WAPAC was invited to review the information but he did not attend. Mrs. Rogers, however, did attend. Mr. Hamilton also indicated that the determination of financial capacity was a technical judgement that required the skills and experience of people in the financial section and there has been no precedent for second guessing them.

ADOPTION: IT WAS MOVED BY MS. HALSTED, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 21-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 22-84 BE ADOPTED.

- (d) Resolution no 23-84 requests authorization of Exclusive Negotiations until April 24, 1984 with Fidelity Investment Company, Mr. Clarence R. Sterns, an A-2 Certificate holder, and Mr. Adrian L. Nolfi for the purchase and rehabilitation of 1406-1408 Post Street in the Western Addition A-2.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (d) as follows. This two-story 1890 Victorian with two residential units was offered under Rehabilitation Offering No.22. Ten responses were received and based on the selection criteria, Fidelity Investment Company and Adrian L. Nolfi submitted the highest qualified response under Preference Category No. I for Certificate Holders. Fidelity Investment Company will acquire a 51 percent interest as a Certificate Holder and Mr. Nolfi a 49 percent interest. Three higher responses in Category I for Certificate Holders were received; however, two of the three respondents waived their interest when they selected other parcels to enter into exclusive negotiations with the Agency. The third was from Fillmore Cooperative Development Corp. which response had the same deficiencies as described in Items (b) and (c) and was considered non-responsive. Messrs. Sterns and Nolfi provided satisfactory evidence of rehabilitation experience and financial capacity for this project and they meet all other criteria of the offering.

Mr. Ulysses J. Montgomery indicated that he had the same comments as he had made for items (b) and (c).

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 23-84 BE ADOPTED.

- (e) Resolution No. 24-84 requests authorization of Exclusive Negotiations until April 24, 1984 with Norman's Development Corporation, Mr. Norman Impelman, an A-2 Business Certificate Holder, Mr. Thomas Lee, and Mr. Louis Castillo for the purchase and rehabilitation of 1401-1405 Gough Street in the Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. Mr. Hamilton indicated that this item is the subject of a supplementary memorandum submitted to him by Chief of Engineering and Rehabilitation, Mr. Demetrio Salvador, who has advised that some of the principles wish to withdraw. Therefore, it is necessary to request this matter be held for two weeks to determine what the appropriate course is, as this developer's response is no longer valid.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that item (e) would be continued for two weeks to the meeting of February 7, 1984. There being no objection it was so ordered.

- (f) Resolution No. 25-84 requests authorization of an amended Deferred Compensation Plan Document and a new Group Annuity Contract with Hartford Variable Annuity Life Insurance Company.

Mr. Hamilton reported on item (f) as follows. The Agency has offered a deferred compensation plan since 1979, which enables employees to contribute up to \$7,500 or 25 percent of salary, whichever is less, to one of four investment options. Two major changes in the document is required since the Internal Revenue Service has revised its regulations: (1) benefits must commence

NEW BUSINESS (continued)

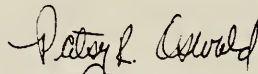
when a participant reaches 70 1/2 rather than the previous 75; and (2) the catch up provision in which a participant can contribute up to \$15,000 in the last three taxable years before retirement has been changed to the last three taxable calendar years prior to the year that the participant plans to retire. Minor changes have also been made to give added flexibility at the time of termination or retirement, plus changes in format and language to bring the Agency's document into conformance with Hartford's suggested language. Also proposed at this time is a new group annuity contract with Hartford, which after comparison of the investment plans under the current and proposed annuity contracts was made, led staff to believe the new one to be more beneficial to the employee. A poll of participants indicated that 87.5 percent of the respondents favor the new contract. There are currently 39 employees participating in this program, which is approximately 27 percent of staff. Also, there is no cost to the Agency for providing the plan to staff.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 25-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. King and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:10 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

February 28, 1984

FEB 21 1984

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
17TH DAY OF JANUARY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 17th day of January 1984, the place and date duly established for the holding of such meeting. The President called the meeting to order and on roll call the following answered present:

Meivin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Anne Halsted  
Haig Mardikian  
Walter S. Newman

and the following was absent:

H. Jesse Arnelle (arrived at 4:17 p.m.)

The President declared a quorum present.

Redmond F. Kernan, Acting Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; M.J. Staymates, Western Addition Neighborhood Association (WANA); Dawn Atkinson, League of Women Voters; Curtis Jones, Liberation House; Martin Gustavson, Mayor's Office of Community Development; Mary Rogers, Western Addition Project Area Committee (WAPAC); Joseph Skiffer, Bushmoor Associates; and Garret O' Doherty and Bruce E. Loughridge, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of December 13, 1983, as distributed by mail to the Commissioners, be adopted.

It was moved by Ms. Berk, seconded by Mr. Newman, and unanimously carried that the minutes of the closed session of December 20, 1983, as distributed by mail to the Commissioners, be adopted.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director Redmond F. Kernan reported to the Commissioners on the following matters:

- (a) Today Mr. Hamilton was attending the hearing by the Board of Supervisors on the proposed amendments to the Rincon Point-South Beach Redevelopment Plan and he has temporarily been delayed while

REPORT OF THE EXECUTIVE DIRECTOR (continued)

answering inquiries to the Press. The hearing just recently concluded with a 9 to 1 vote in favor of the Plan amendment, which is a major step forward with the Rincon Point-South Beach project.

- (b) The Agency staff expresses its condolences and sympathy to Deputy Mayor Hadley Roff whose daughter Kelly Roff was killed in an automobile accident Sunday January 15. Memorial Services will be held Thursday January 19, 1984 at 10:00 a.m. at Stern Grove Community Center. Mr. Kernan suggested that this meeting be adjourned in her memory.

NEW BUSINESS

- (a) Resolution No. 15-84, requests authorization of a Letter Agreement with the City and County of San Francisco to continue the services of Mr. Martin Gustavson, an employee of this Agency, to the Mayor's Office of Community Development for the 1984 Community Development year.

Mr. Kernan reported on item (a) as follows. This letter agreement continues an arrangement started in 1972 to staff the Mayor's OCD with technicians familiar with HUD programs. City Planning and this Agency cooperated by transferring employees to work for OCD. This arrangement allows an Agency employee to be on a leave of absence and to continue participation with the State (PERS) retirement system. This arrangement has continued based on annual approvals by the Mayor and the Board of Supervisors. Federal Funds have been set aside in OCD's administrative budget to continue the work order arrangement with this Agency. The Agency will be fully reimbursed by the City for actual salary, staff benefits and any pay and benefits increases. The Agency will be indemnified by the City for any liability incurred as a result of his services. Continuation of this arrangement with the City will be of great assistance to OCD in its administration of the City's Community Development Program.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 15-84 BE ADOPTED.

- (b) Resolution No. 16-84, requests authorization of Exclusive Negotiations to April 3, 1984 with Bruce Loughridge and Lawrence Spergel for the Purchase and Rehabilitation of 1402-1404 Post Street in the Western Addition A-2.

Mr. Kernan reported on item (b) as follows. Mr. Loughridge and Dr. Spergel submitted the highest response for the subject building, Rehabilitation Offering No. 22 in Preference Category I, which is for Certificate Holders. Mr. Loughridge, who will have 51% interest in the site as a Certificate Holder, and Dr. Spergel, who will have 49% interest, propose to develop the site as condominiums. The response the developers submitted provided satisfactory evidence of their rehabilitation experience and financial capacity to undertake the project.

NEW BUSINESS (continued)

Mr. Arnelle arrived at this time, 4:17 p.m.

Ms. Mary J. Staymates, Western Addition Neighborhood Association (WANA), requested that this property not go to Mr. Bruce Loughridge, as he has two properties in the area that have not been completed, plus another one on Divisadero Street, which has been an eyesore for years. Mr. Gene Suttle, Project Director, Western Addition A-2, indicated that he is aware of Mr. Loughridge's history with the two buildings mentioned by Ms. Staymates, both of which are outside the project boundaries. The one in the project area on Divisadero Street has been relinquished by Mr. Loughridge in order to go into Exclusive Negotiations on the subject building.

Mr. Newman inquired how Mr. Loughridge would be financing this building and Mr. Loughridge indicated Dr. Spergel and himself together have construction financing of which Dr. Spergel is handling most through the Security Pacific Bank.

Ms. Halsted indicated that given the input and concerns expressed, she would be hesitant to advocate an extension of time in the future. Ms. Berk indicated she echoed Ms. Halsted's concerns and noted that staff should have provided this background information on Mr. Loughridge to the Commission.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 16-84 BE ADOPTED.

Mr. Hamilton joined the meeting at this time, 4:27 p.m.

- (c) Resolution No. 17-84, requests authorization of an Owner Participation Agreement with Wilfred Carney for the rehabilitation of 1343-45 Pierce Street in the Western Addition A-2.

Mr. Kernan reported on item (c) as follows. This two-story wood-framed 1895 Victorian building contains two residential units and is currently owner occupied. The Owner proposes to proceed with the rehabilitation as owner-builder. Funds for the work, estimated at \$30,000, will be privately financed.

Mr. Carney expects a twelve-month construction period during which time he will be working with the Agency's Engineering and Rehabilitation Division staff and the City's Bureau of Building Inspection to ensure conformance with the required standards and codes.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 17-84 BE ADOPTED.

- (d) Resolution No. 18-84, requests authorization of a Second Amendatory Agreement in the Land Disposition Agreement for Rehabilitation with Liberation House for the building located at 1724-28 Steiner Street in the Western Addition A-2.



NEW BUSINESS (continued)

Mr. Kernan reported on item (d) as follows. An LDA was authorized in June, 1983 with Liberation House who proposes to use the building as a facility for its alcohol recovery and rehabilitation programs. In December, 1983 a First Amendatory Agreement was authorized which provided an extension of the conveyance date of the site to allow time for the Developer to obtain necessary building permit approvals of the City. The City's review time has taken longer than originally anticipated since the rehabilitation work includes the change of occupancy from a residential three unit building to an institutional residential public facility. The Developer has submitted and obtained Agency approvals of the rehabilitation plans, evidence of financing and contractor's bid. All requirements of the City have been met except conformance with the Handicap Access Regulations. The Developer has applied for an exemption from this regulation with the Handicap Review Appeals Board and their hearing is scheduled for February 6, 1984. Their appeal will be based on the fact that their contract with the City's Department of Public Health Community Substance Abuse Services for which a current annual allocation of \$106,223 is provided by the City, specifically prohibits them from admitting handicapped individuals. The developer feels that if the handicap facilities are unnecessary it would be an unreasonable hardship on the organization if that requirement has to be met. The Developer is requesting an extension of two months to allow time for the hearing and, if necessary, revisions to the plans as required by the City. The requested extension will therefore change the conveyance date of January 17, 1984 to March 20, 1984.

Ms. Mary Rogers, WAPAC, indicated she could not support this item, if the building would not have handicapped access. Mr. Hamilton read from the contract between Liberation House and the City and County of San Francisco the criteria that would apply and who was excluded from admission to the program. Ms. Rogers noted it did not address the crippled and those in wheelchairs. Mr. Curtis Jones, Chairman, Liberation House, indicated there are other programs that the handicapped are referred to in the City.

Mr. Arnelle, Ms. Halsted and Mr. Mardikian expressed their concern about the exclusion of the handicapped and favored delaying action for one week until there was a resolution to this situation.

Mr. Demetrio Salvador, Director of Engineering and Rehabilitation, indicated the LDA provided for a conveyance of the property today and there is no cure period for default.

Mr. Kernan indicated that the Commission could extend the conveyance date for one week to allow staff time to clear up this matter.

MOTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT THE LDA CONVEYANCE DATE BE EXTENDED FROM JANUARY 17, 1984 TO JANUARY 24, 1984.

NEW BUSINESS (continued)

- (e) Resolution No. 19-84, requests authorization of a Second Amendatory Agreement which will extend the conveyance date for 90 days with Bushmoor Associates for Parcels 677-B, 677-C (1) located on the east side of Fillmore St. between Bush and Sutter Streets in the Western Addition A-2.

Mr. Kernan reported on item (e) as follows. An LDA was authorized in October, 1982 with Bushmoor Associates for the development of Phase I for 36 residential condominiums and 7,000 square feet of retail commercial space and an additional 14 condominiums to be constructed in Phase II. The first phase was delayed due to heavy rains but once construction commenced, it has remained on schedule with completion anticipated by the beginning of summer this year. Construction financing for Phase II is in place and all that remains is the issuance of the building permit. Although the Developer expects conveyance to occur shortly after issuance of the building permit, Bushmoor requests a 90-day extension of the conveyance date to April 12, 1984 in case there are unforeseen delays.

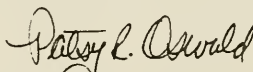
Ms. Mary Rogers, WAPAC, indicated she opposes giving this site, which had been designated as a public housing site, to Bushmoor to develop condominiums.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO 19-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Newman, seconded by Mr. Arnette, and unanimously carried that the meeting be adjourned in memory of Kelly Roff. The meeting adjourned at 4:50 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

February 7, 1984





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
24TH DAY OF APRIL 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 24th day of April, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnelle  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

and the following was absent:

None

The President declared a quorum present.

Acting Executive Director, Earl P. Mills, and staff members were also present.

Also present were James Brennan, Walt Brooks, Brennan Price & Co.; L. Jamerson, Jamerson Developers; Pleasant Carson Jr., Eddie Griffin, Western Addition Project Area Committee (WAPAC); Gary Amare, Mayta Jensen; James Campbell, U.S. Review; Charles Ryan, Anthony Morris, Wyart S. Riggins, Joint Housing Committee; Essie Collins and Philip Westergaard, interested citizens.

#### APPROVAL OF MINUTES

It was moved by Mr. Arnelle, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of April 3, 1984, as distributed by mail to the Commissioners, be approved.

#### REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director, Earl P. Mills reported to the Commissioners on the following matter.

(a) Mr. Hamilton is no here tonight due to illresses in the family.

#### NEW BUSINESS

(a) Resolution No. 117-84 requests authorization of a First Amendatory Agreement to the LDA with Staples & Sons for Parcel F-6, located on the south side of Evans Avenue between Mendell and Keith Streets in the India Basin Industrial Park.

Mr. Mills reported on item (a) as follows. In September 1983 an LDA was authorized with Staples & Sons who manufacture pipeline

NEW BUSINESS (continued)

strainers used on ocean-going vessels. The Developer proposes to construct a building containing office, shipping testing, storage, loading and unloading facilities plus 26 parking spaces and landscaped areas. The building permit is ready to pick up and financing is in place. However, a last minute disagreement with the general contractor has required that a new general contractor with new sub-contractors be selected whose affirmative action programs must be approved by the Agency. This is expected to take 60 days and the Developer is requesting the date for conveyance be extended from April 25, 1984 to July 25, 1984. Also, standard provisions, previously omitted, have been added and updated, which are: 1) a requirement for installation of identification sign on site; 2) employment opportunity preference for residents of the Bayview-Hunters Point neighborhood; and 3) reporting and evaluation requirements.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 117-84 BE ADOPTED.

- (b) Resolution No. 118-84 requests authorization of purchase agreements for three copiers: a Xerox 9400 for the Agency's Print Shop and two Xerox 1045's for the second and third floor office areas.

Mr. Mills reported on item (b) as follows. The Agency currently owns or leases nine copiers, five of which are located in the Agency's Central Office, one at the Hunters Point office and one at the Central Maintenance office. Two copiers are supplied to WAPAC and the Joint Housing Committee under the terms of the Agency's contracts with these organizations. Two of the owned machines at Central Office need replacement, as they are wearing out, breakdowns are occurring more frequently and they do not have the kinds of features now available in other copiers that would provide considerable savings in staff time. After staff evaluation it is believed that the Xerox 1045 best meets our copying needs. It is competitively priced and has received extremely good reviews. Also, action needs to be taken on the Xerox 9400, the high volume copier currently on lease agreement through June 30, 1984. Nearly half the average monthly copies are made on the 9400 located in the Agency's Print Shop. It has been leased for six years and still adequately serves the high volume copy needs. Xerox Corporation is offering a \$4,000 credit and one year of free service if the machine is placed on a purchase agreement. This action, plus the trade-in of one of the old copiers, would lower the average monthly cost for the machine by about \$375 for the three years of the purchase agreement. Staff believes that the purchase of the copiers, rather than lease, makes good economic sense. The standard purchase agreement contains a "fiscal out" provision which permits cancellation of the agreement at the end of any fiscal term if funds are not appropriated for the copier.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 118-84 BE ADOPTED.

- (c) Resolution No. 119-84 requests authorization of an Owner Participation Agreement with American Diversified Capital Corporation for the building located at 329 - 333 Fulton Street between Gough and Franklin Streets in the Western Addition A-2.

Mr. Mills reported on item (c) as follows. This currently vacant 1926 seven story wood-framed structure was originally a hotel containing one apartment and 58 guest rooms. The Owner proposes to rehabilitate the building into 48 hotel suites, (30 studios and 18 one-bedrooms), with ground floor registration desk, hotel office, employee lounge, handicap restrooms, and club room for hotel guests. Architectural plans and specifications prepared by the San Francisco firm of Walker and Moody, Architects, have been submitted by the Owner for review and approval. The estimated rehabilitation construction cost is \$1.8 million, which work will be performed by Mayta and Jensen, general contractors. The total development costs are estimated at \$2.5 million, which will be privately financed. American Diversified Capital Corporation has contracted with Brennan Price and Company to coordinate the completion of this rehabilitation project.

Mr. Pleasant Carson, WAPAC, urged that the Commission vote favorably on this item.

Mr. Newman inquired what facilities are provided for parking and Mr. Walt Brooks, Brennan Price & Co., indicated there is none at this time, but that they may contract with the Parking Authority for space in the Performing Arts Garage. Mr. Newman indicated he was concerned about the parking, as this area was impacted, and inquired what the code requires in the way of parking for a hotel. Mr. Gene Suttle, Project Director, Western Addition A-2, indicated the ordinance passed in 1964 clearly states that structures to be rehabilitated in the same use can do so without the imposition of additional requirements. So, there is no requirement for parking or open space for this retention structure that is being rehabilitated for hotel use. Mr. Newman inquired if that applied to residential units also and Mr. Suttle indicated affirmatively.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 119-84 BE ADOPTED.

- (d) Resolution No. 120-84 requests authorization of Exclusive Negotiations until June 26, 1984 with Mark Wilder, Craig Martin, and Michelle Clark for the purchase and rehabilitation of the building at 1917 Ellis Street between Scott and Divisadero Streets in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Mills reported on item (d) as follows. At the April 10 meeting, a rejection of Rehabilitation Offering No. 23 was authorized which included the only response submitted, that of Mark Wilder, Craig Martin and Michelle Clark. Their response was defective in that it did not include the required deposit. At the same meeting, Mark Wilder appeared and reiterated his and his partners' interest in developing the parcel and requested the Agency consider entering into exclusive negotiations with them. He added that he is a Certificate Holder and that his failure to include the required deposit with his response was an inadvertent omission. Mr. Wilder further reiterated the interest of his group by his letter dated April 16, 1984. Staff has carefully evaluated the submittal of Mr. Wilder's group. Aside from the lack of deposit, the submission was extensive and indicated considerable effort on their part in evaluating the feasibility of the project. A bid from a licensed general contractor and a letter of interest from a mortgage broker in financing the project were included although these were not required by the Offering. The submission also showed adequate financial capability to undertake the development. This building is subject to abatement proceedings which requires the Agency to appear before the Superior Court routinely and demonstrate progress towards removing the code violations. Given the extensive work of Mr. Wilder's group, the abatement proceedings, the financial capacity of these individuals to undertake the development, and the fact that Mr. Wilder is a certificate holder, it is staff's opinion that the most expeditious approach at this point would be to enter into exclusive negotiations with them.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 120-84 BE ADOPTED.

- (e) Resolution No. 121-84 requests authorization of a Permit to Enter Agreement with Yashima, Inc., for the use of Agency-owned land located on the north side of Hemlock Street in the Western Addition A-2.

Mr. Mills reported on item (e) as follows. Yashima, Inc., is the general contractor for the construction of the Japanese Tea House which is to be built in the Japanese American Association Building located at 1759 Sutter. The materials for this project are being sent from Japan and because of its special architecture the carpenters will be coming from Japan to construct the tea house. Arrival of the materials is expected about May 10, 1984 and will be stored for approximately two months. Materials will be taken out as they are needed during the construction of the project. Yashima, Inc., will obtain the appropriate insurance coverage prior to entering onto the property and they will clean up the area after the completion of the project. Staff recommends that the Japanese American Association contractor, Yashima, Inc. be permitted to use the area rent-free, so that the Association, a non-profit organization can complete its unique ethnic development.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 121-84 BE ADOPTED.

- (f) Resolution No. 122-84 requests granting approval for Mr. Phillip Westergaard, a former Agency staff member, to act as Supervisor of Marketing for the John Stewart Company in connection with its management and development of the sales program for Amancio Ergina Village, a proposed development to be constructed on the southeast corner of O'Farrell & Scott Streets in the Western Addition A-2.

Mr. Mills reported on item (f) as follows. Resolution No. 200-82, adopted in June 1982, required that prior Agency approval must be obtained before a former employee may act for anyone other than the Agency in connection with certain matters in which he or she participated personally and substantially as an Agency employee. In Mr. Westergaard's last position and assignment as Development Specialist, he was responsible for matters related to the LDA for Yerba Buena Village, the then name of the Amancio Ergina Village development. The John Stewart Company has been the housing consultant of the Yerba Buena Foundation and its successor sponsor, Amancio Ergina Village, Inc., since August 1980. On the Amancio Ergina Village project, it is proposed that Mr. Westergaard be appointed as Supervisor of Marketing. Neither Mr. Westergaard nor the John Stewart Company will have any ownership interest. Upon consideration of all the facts and circumstances, it appears that Mr. Westergaard's acting as Supervisor of Marketing for the John Stewart Company will not be adverse to the Agency or to the public interest.

Mr. Pleasant Caron, WAPAC, indicated his concern that Mr. Westergaard would be the Marketing Supervisor for this development after being involved in the initial project. It would be different if he had been involved in another project other than this one and urged that the Commission give this item more thought, as it did not seem appropriate.

Mr. Mardikian inquired what the liability would be if Mr. Westergaard did not request approval at this time and Mr. David Oster, Assistant General Counsel, explained the provisions of Resolution No. 200-82 and noted that if someone were to act without Agency approval they would certainly put their employers and the project in jeopardy vis-a-vis the Agency, because any Agency approval or action could be voided at the Agency's option upon discovering this.

Mr. Arnelle inquired if there had been a careful analysis of this individual's relationship with the project he now represents and is staff satisfied there was no substantial personal relationship with the existing project when he was employed with the Agency. Mr. Mills indicated affirmatively, in fact, the project has changed substantially from what it was when Mr. Westergaard

NEW BUSINESS (continued)

worked on it and there is no possibility of conflict. Mr. Arnelle inquired if this had been analyzed by Agency Counsel and Mr. Oster indicated affirmatively.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 122-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 123-84 requests ratification of an Indemnity Agreement with Transamerica Title Insurance Company in connection with the sale and Close of Escrow of the two expandable homes located at 1427 and 1461 Innes Avenue in Hunters Point.

Mr. Mills reported on item (a) as follows. In March, 1984, the Commission adopted the appropriate conveyance instruments in connection with the sale of two family homes to Joean Wright and Emma Dickson. Construction was recently completed and the Agency filed a Notice of Completion on April 18 and conveyed the homes on April 20, 1984. Staff had requested, in connection with the conveyances of those sites, that Transamerica Title Insurance Company issue owner's/lender's policies of title insurance, and since a 60 day mechanics' lien period has not yet run from the filing of the Notice of Completion, in order for the title company to issue policies against any mechanics' liens, it was necessary for the Agency to indemnify the title company against losses, by the execution of an Indemnity Agreement. Although the Indemnity Agreement required the Agency to indemnify Transamerica Title Insurance Company against losses, staff has ensured that no mechanics' liens will in fact be filed by requiring that the General Contractor provide releases and some waivers of liens as a condition of final payment. In view of this, staff believes there is minimal risk to the Agency.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 123-84 BE ADOPTED.

- (b) Mr. Mills indicated that Mr. Lafayette Jamerson, Jamerson Construction Company, requests to speak before the Commission regarding the property at 685-91 McAllister Street in the Western Addition A-2.

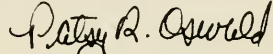
Mr. Jamerson indicated he had numerous grievances against the conduct of Agency staff and after a lengthy explanation requested the Commission investigate his grievances.

President Lee indicated that Mr. Hamilton was not here tonight and it would have to be discussed with him when he returned.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Arnelle, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:05 p.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Patsy R. Oswald". The signature is fluid and cursive, with the first name "Patsy" being more prominent.

Patsy R. Oswald  
Secretary

APPROVED

September 4, 1984





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4/17/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
17TH DAY OF APRIL, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 17th day of April, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Walter S. Newman

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and the following was absent:

H. Jesse Arnette  
Haig Mardikian (arrived 4:10 p.m.)

The President declared a quorum present.

Also present were Courtney C. Cargill, Schiller & Combs; Minister Paul Larsen, New Life Deliverance Church; Ocie Mae Rogers, Joint Housing Committee; G. R. Baker, Metro Park Corp.; Dr. Rhody A. McCoy, James E. Stratten, Future Perfect, Inc.; and Joel Tomei, Hope Consulting Group (Future Perfect, Inc.).

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of March 20, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- a. The Press and public response to the presentation of the Yerba Buena Gardens on April 12 have been positive and presentations and discussions of the YBC transaction will be continuing.
- b. Dedication of the Soto Zen Mission will be held this Sunday, April 22, beginning at 10:00 a.m. at the New Temple at 1691 Laguna Street.

UNFINISHED BUSINESS

- (a) Resolution NO. 97-84. Requests authorization to grant a joint use of 35 existing parking spaces in the Opera Plaza development Block 762, bounded by Van Ness, Turk, Franklin and Golden Gate in the Western Addition A-2.

UNFINISHED BUSINESS (continued)

Mr. Hamilton reported on item (a) as follows. The Public Hearing was held last week for this item and closed after taking comments from persons interested in the matter. Mr. Newman requested that the action be continued for one week in order to include language in the Resolution that would add several conditions to granting the joint use of parking spaces by requiring Opera Plaza to continue to operate and maintain attendant parking and that the movie theatres not open for public screenings prior to 5:00 p.m., except on weekends and holidays.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 97-84 BE ADOPTED.

NEW BUSINESS

- (a) Resolution No. 108-84 requests authorization of Permit to Enter Agreement with New Life Deliverance Center for the use of Parcel 750-A, bounded by Fillmore, Steiner, Turk and Eddy Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. The New Life Deliverance Center, is a non-profit religious organization, headed by Reverend Tony Cooper. The Church is requesting the use of the parcel to conduct a fourteen day Public Revival meeting from July 16 through July 29. A similar event was conducted last year, which was supported and well attended by the community. The Church will obtain the required property damage and liability insurance, provide 24-hour security guard service and clean up the area after the meetings. The rental rate will be \$150 a week, which is comparable to rents paid for Agency-owned land in the A-2 project.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 108-84 BE ADOPTED.

- (b) Resolution No. 109-84 requests authorization to write-off certain delinquent rental accounts in Yerba Buena and Western Addition A-2 in the amount of \$2,121.50.

Mr. Hamilton reported on item (b) as follows. The Agency's rental policy, as well as Federal Regulations, provide for the write-off of delinquent rental accounts when there is no reasonable prospects of collection. These accounts include those sent to the collection agency, Transworld Systems, Inc., since the last write-off in August, 1983. The Agency may receive payments in the future on accounts that remain with the collection agency, however, collection efforts are essentially exhausted and proper accounting procedures require they be written off at this time. It is our procedure to send only vacated accounts to collection and all of the subject accounts are vacated.

Mr. Mardikian arrived at this time, 4:10 p.m.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 109-84 BE ADOPTED.

- (c) Resolution No. 110-84 requests authorization of a Permit to Enter Agreement with the City and County of San Francisco for the use of Central Block #2, portions of East Block #2 and Central Block #4; and new leases with existing parking lot operators for such parcels in connection with activities and operations related to the Democratic National Convention to be held in the Moscone Convention Center in the Yerba Buena Center Project.

Mr. Hamilton reported on item (c) as follows. In Mid-1983, the Mayor's Office began discussions with Agency staff and representatives of the Democratic National Convention Committee about use of property in Yerba Buena Center during the Democratic National Convention which will begin on July 16, 1984. The properties under discussion are needed for group demonstrations, media personnel and equipment as well as police staging if necessary. As a result it will be necessary to vacate 5 parking lot operations for various time periods. To eliminate potential parking operator involvement, the existing agreements will be cancelled and with your authorization new leases will be entered into with the affected operators after the Convention. This proposal is agreeable to the operators. The conditions of the permit require that the City hold the Agency harmless from any actions or liability arising from the use of these properties and that the appropriate insurance coverage be provided. The City will collect rent "up front" from the media for use of the parking lots and pass the rents received over to the Agency. The City will also be required to maintain the permit area during its use and to restore these parcels when they have been vacated to the condition that existed at the time of entry. The use of these properties will not interfere with any development schedule.

President Lee and Commissioner Newman indicated their concern about lost revenues from the parking lots and Mr. John Friedman, Assistant Director, Community Services, indicated that the Agency would be reimbursed rent on a prorata basis for certain parcels. Mr. Leo Borregard, Agency General Counsel, added that the rents for the lots being used by the media will be collected by the City and paid to the Agency. However, for three of the parcels there will be no revenue received. Mr. Hamilton indicated the City had sought this as an accommodation for the convention and this is the Agency's contribution.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 110-84 BE ADOPTED.

- (d) Resolution No. 111-84 requests authorization to extend to July 18, 1984, Exclusive Negotiations with the O & Y Equity Corp./Marriott Corp./Beverly Willis for the Central Blocks.

NEW BUSINESS (continued)

- (e) Resolution No. 112-84 requests an extension to July 18, 1984 for Central Blocks 1, 2 and 3 located on the east side of Third Street between Mission and Howard Streets in the Yerba Buena Center.

Mr. Hamilton reported on items (d) and (e) as follows. In January 1984, O & Y was granted an extension of three months until April 18, 1984. The negotiations between the Agency staff and O & Y for development of the YBC Central Blocks and EB-2 are nearing completion. The final negotiations and documents are still being completed. The presentation of the proposed design, project scope and the basic aspects of the transaction presented on April 12, will be followed by a period of public review and then precise dates for the required legal steps can be established.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 111-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 112-84 BE ADOPTED.

- (f) Resolution No. 113-84 requests authorization to enter into a 36-month purchase agreement with IBM to upgrade the Agency computer and to execute the necessary software and maintenance contracts for the system.

Mr. Hamilton reported on item (f) as follows. When the installation of the IBM System 38 (S/38), Model 3 was approved in November 1982, it was believed it would serve our computer needs during the 1980's by allowing us to take advantage of newer technologies. The efficiencies of the data base management system offered by the S/38 were to permit us to convert all current application, thereby "freeing up" space to allow new applications for better management tools. However, this particular model did not cover our needs as anticipated, basically because of a lack of storage capacity. In order to assist in evaluating these storage needs, a study was performed by the Data Processing Manager and a Systems Engineer from IBM during March 1984, with a recommendation of a trade up to the next model in the series, a Model 4.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 113-84 BE ADOPTED.

- (g) Resolution No. 114-84 requests authorization to pay \$22,950 to Levinson Bros., Inc., Insurance Brokers, for Personal Liability and Property Damage coverage for Yerba Buena Center, Western Addition A-2, Hunters Point, India Basin, Rincon Point-South Beach and Soloman Village.

Mr. Hamilton reported on item (g) as follows. In March of this year, staff received two proposals with the lowest bid from Levinson Bros., Inc. Also, their quote was for \$5,000,000 coverage rather than the \$1,000,000 specified. When staff inquired as to the reason for the different coverage the President, Mr. Fred Levinson,



NEW BUSINESS (continued)

indicated that because he represents approximately 175 public agencies statewide the carrier, United States Fire Insurance Co., has allowed him to pool these agencies and obtain a substantial discount on the premiums. It was also found that \$5,000,000 appeared to be the normal requirements. By way of comparison, our premium for the same coverage with a \$1,000,000 limit was \$25,002 for the currently expiring period.

Mr. Newman noted that he would abstain from voting on this item, due to a potential conflict.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 114-84 BE ADOPTED.

- (h) Resolution No. 115-84 requests authorization of Exclusive Negotiations until July 18, 1984 with Future Perfect, Inc., for the development of Parcel D, bounded by Third and Newhall Streets, Evans and Galvez Avenues in India Basin Industrial Park.

Mr. Hamilton reported on item (h) as follows. Mr. James Stratten and Dr. Rhody McCoy, the principals, are presently constructing 67 single-family, market-rate homes known as LaSalle Heights on Hunters Point Hill and they will shortly begin construction of an additional 23 units on adjacent land. Other development team members are the Post Corporation, the general contractors for LaSalle Heights; the Hope Consulting Group, architects and planners; and Underwood, Stein and Associates, Inc., financial consultants previously involved in the financing of Kimball Park and Suttermore in A-2 and LaSalle Heights in Hunters Point will seek financing for the development. Though this property was publicly offered from September 1982 through January 1983, no proposals were submitted. Since that time staff has actively, although informally, sought development proposals for this site. This developer has been the only one that has presented a potentially viable proposal. The developer proposes to construct approximately 122,000 square feet of office and commercial space plus 88,000 square feet of structured parking. Proposed uses are restaurants, offices and other permitted commercial uses. Expressions of interest have come from three restaurant chains. A conditional construction loan commitment has been obtained. Several issues need to be resolved by the developer in order to establish the feasibility and desirability of this proposal. The developer needs to demonstrate the ability to pay for the proposed relocation of utilities that run through the middle of the site currently estimated to be \$400,000; they will need to demonstrate their ability to achieve the projected income from prospective tenants; as well as the ability to obtain the necessary financing. Also, architectural staff has concerns about the design of the proposed location of store fronts along the Third Street frontage. It is expected that they will be able to work those matters out relatively soon.



NEW BUSINESS (continued)

Mr. Newman indicated that he would disqualify himself from voting on this item as he is a director of the company which are the architects on this project.

President Lee inquired about the developer's financing and prospective tenants and Dr. McCoy indicated their financing commitment is still intact and that presently they have more tenants than they need and are in the process of deciding which ones they will accept.

Mr. Hamilton indicated that the developers are well ahead of what normally has occurred at this stage of discussion with the developers.

Ms. Berk inquired if they were interested in mainly the type of businesses that service the residents and the people who are employed in the area and Dr. McCoy indicated they have looked at the complex in India Basin, the Third Street corridor and the outlying community to ascertain what tenants are needed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 115-84 BE ADOPTED.

- (i) Resolution No. 116-84 requests authorization for Helen L. Sause and James H. Wilson, Project Directors, to attend the PSWRC-NAHRO Annual Conference, Executive Board meeting and Regional Standing Committee meetings being held in Reno, Nevada, May 19 - 22, 1984 in an amount not to exceed \$1,000.

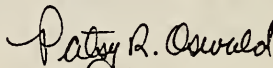
Mr. Hamilton reported on item (i) as follows. The conference will cover a wide spectrum of subjects relative to the Agency's program of providing low and moderate income housing and carrying out community and economic development. In addition to the Conference sessions, Mrs. Sause and Mr. Wilson will attend committee meetings in their respective positions as National CR & D Vice President and Regional Committee member. Mrs. Sause will also attend the meeting of the PSWRC Executive Board in her role as Regional Senior Vice President.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 116-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Newman, and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:40 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

June 12, 1984

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
8TH DAY OF MAY 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 8th day of May, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian

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and the following was absent:

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H. Jesse Arnette  
Walter S. Newman

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Noni Richen, Beidemann Area Neighborhood Group; Nicola Smith, Ernest L. Olmur, Rev. Amos C. Brown, Essie Collins, Third Baptist Church; Anthony Morris, Ocie Mae Rogers, Joint Housing Committee; Paul M. Jennings, Deborah Dasovich, Maureen Grady, Lee Flynn, Divisadero Heights; Pleasant Carson, Western Addition Project Area Committee (WAPAC); Lionel E. Maynard, and Nolan Frank, interested citizens.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The Mayor cut the ribbon today at ceremonies for La Salle Heights in Hunters Point. This is a 67-unit market-rate development of Mr. James Stratten and Dr. Rhody McCoy.
- (b) Tomorrow, May 9 at 10 a.m. the Port Commission will be considering the lease of Port properties to the Agency for the Rincon Point-South Beach Project. Staff will be there to cover this item and will be reporting back to you on the developments.
- (c) On Wednesday, May 23 from 6 to 8 p.m., the Technical Assistance Committee for Yerba Buena Center (TAC) will have a party to celebrate the presentation of cultural plans for the Yerba Buena Gardens. This event will be held at the San Francisco Apparel Mart at 22 Fourth Street near Market. Invitations are in the Commissioner's folders and all are invited.

UNFINISHED BUSINESS

- (a) Resolution No. 126-84 requests authorization to expend \$12,000 from the Blyth-Zellerbach grant for a contract with Alexander Grand and Company to prepare the final financial report on the cultural program for Yerba Buena Center.

Mr. Hamilton reported on item (a) as follows. At the Director's request this item was continued from last week's meeting so that Ms. Sause the YBC Project Director familiar with the details could be here to answer any questions the Commission might have. The Blyth-Zellerbach Grant of \$95,000 has been essential to achieving a cultural program both economically feasible and one considered appropriate to serving the community. This grant permitted the Agency to engage the consulting services of Frederiksen/Peat, Marwick, Mitchell and Company to carry out three phases of work that included: Component I, which served as the basis of preliminary economic analysis of the cultural program in the overall project estimates; Component II, the User Study, analyzed the arts community's ability to use the proposed facilities; and Component III required refinement of the space requirements and construction estimates for the cultural facilities to be built, completion of the management proposals and the cost and revenue model of the facilities. In October 1983 the Agency contracted with Chris Frederiksen to prepare the management proposals and provide on-going advice to the Agency and the TAC and, as required, coordinate those proposals with the developer. At the time this contract was approved it was indicated that it would be necessary to prepare a final Financial Report as part of the overall project economic report. This final report will provide the economic analysis of the operation and maintenance of the cultural facilities. The Blyth-Zellerbach funds were granted on the basis of a proposal developed with Frederiksen/Peat, Marwick, Mitchell and Company, but this firm has indicated they do not have the staff capacity required to complete this report in the short time period allotted. Since the preliminary work on the management concepts and the financial models were prepared by Mr. Frederiksen, staff believes it would be highly desirable to contract for the services of Alexander Grant & Company, the firm in which Mr. Frederiksen is a partner, to prepare the final Financial Report.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 126-84 BE ADOPTED.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in granting variances for Parcels 1129-I and 1129-Q; Western Addition A-2. President Lee opened the public hearing to hear all persons interested in this matter.

NEW BUSINESS (continued)

Resolution No. 127-84 requests authorization to Grant Variances from the Permitted Density of Development and Open Space Requirements of the Redevelopment Plan pertaining to two buildings located at 1800-1804 Turk/1101 and 1107-1111 Divisadero Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. As item (b), an LDA with Nolan Frank and Frances Lung will be requested for the purchase and rehabilitation of these two buildings. Because these structures were designated for acquisition and demolition under the Redevelopment Plan, the standards formulated at that time were intended to apply to new development. Had the buildings been originally designated for rehabilitation these density variances would not be necessary since the Plan provides that existing residential uses of properties designated as eligible for retention may be continued in such use if appropriately rehabilitated. The standards for development in the Plan cannot be accomplished without demolishing a substantial portion of the buildings. The density variance requested would increase the number of allowed Agency rooms from the permitted density of 23 rooms to 45. The properties currently contain 45 Agency rooms in approximately 8,400 sq. ft. of net usable living area. The requirement of 23 Agency rooms could be achieved by demolishing portions of the building or increasing the size of the Agency rooms to 18 x 20, which clearly exceeds normal room size standards. A total of 2,325 sq. ft. of open space is required by the Redevelopment Plan for this site. However, because the existing structures cover an extensive part of the site, only 208 sq. ft. of open space exists. Though the addition of deck areas will increase this to 350 sq. ft., it is considerably less than the requirement. However, to achieve that requirement, again portions of the building would have to be demolished. The permission of this variance would reduce the requirement to 350 sq. ft. Mr. Frank's proposed development will result in 16 rental units at a time when little rental housing is being produced in the City, and will provide a long-term rehousing resource for the Hart family whose housing needs have been difficult to meet. The Redevelopment Plan provides for variances where literal interpretation and enforcement would result in undue hardships and constitute unreasonable limitation beyond the intent and purpose of such standards. It is believed that the granting of these variances is consistent with that intent.

The following persons spoke in opposition to the variance and indicated the vacant lot adjacent to the building and owned by Mr. Nolan Frank could be used for open space: Ms. Lee Flynn, Lionel Maynard, Paul Jennings, Deborah Dasovich, residents of the area and Noni Richen, Western Addition Neighborhood Association.

There being no further persons wishing to appear in connection with this matter, the President declared the public hearing closed.



NEW BUSINESS (continued)

The Commissioners indicated their concern about the comments made by the neighbors regarding the variance on open space. The Commissioners requested this item be continued for one week until they had an opportunity to view the site before making their decision.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner, the action on item (a) would be continued for one week at Commissioner request. There being no objection, it was so ordered.

- (b) Public Hearing to hear all persons interested in the Land Disposition Agreement for Parcels 1129-I and 1129-Q, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 128-84 requests authorization of a Land Disposition Agreement with Nolan Frank and Frances Lung for the purchase and rehabilitation of 1800-1804 Turk/1101 Divisadero, and 1107-1111 Divisadero Street in the Western Addition A-2.

Ms. Noni Richen, WANA, indicated that even though they oppose the variances, Mr. Frank is an excellent contractor.

There being no further persons wishing to appear in connection with this matter, the President declared the public hearing closed.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, that the action on Item (b) would be continued for one week at Commissioner request. There being no objection, it was so ordered.

- (c) Public Hearing to hear all persons interested in an Amendatory Agreement for Parcel 750-A, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 129-84 requests authorization of a Fourth Amendatory Agreement to the Land Disposition Agreement with Third Baptist Church for the parcel bounded by Eddy, Fillmore, Steiner and Turk Streets in the Western Addition A-2.

Mr. Hamilton reported on item (c) as follows. An LDA was authorized in May, 1982 with the developer who proposes to build, in three phases, a commercial/office building fronting on Fillmore Street; an elementary school with gymnasium for 360 students; and a sanctuary with a maximum seating capacity of 2,000 persons.



NEW BUSINESS (continued)

Third Baptist Church has had limited success in its efforts to prelease the office building, as suggested by the Church's economic consultants Keyser-Marston before proceeding with further design work. The Church will now seek private sector participation to turn this development around. Nicola Smith has been hired to locate a joint venture partner for the office building. Third Baptist has authorized West Bay Local Development Corporation to act as its representative in all matters regarding the development and to act as the developer and owner of the office building to protect the Church's nonprofit status. However, any request for West Bay developer designation will be the subject of a separate memo. While the Developer has proceeded with its efforts to move this development forward the absolute conveyance date has expired and with that the disposition price. An independent appraiser reappraised the site in accordance with standard appraisal practices with the commercial portion of 16,638 square feet appraised at \$382,662 and the remaining portion of 96,800 square feet, which will be deed restricted in perpetuity to nonprofit institutional uses appraised at \$1,714,338. The total land value is set at \$2,097,000. The Church is hopeful that a joint venture partner can be found to provide additional experience and financial strength and has requested a six month extension of the Phase I performance dates for Submission of Evidence of Financing from September 5, 1984 to July 3, 1985 and Conveyance of the Site from November, 1984 to September, 1985.

Rev. Amos Brown, Third Baptist Church, indicated he was confident they could move ahead with deliberate speed and would appreciate the Commission's favorable action.

Pleasant Carson, WAPAC, indicated support of Third Baptist Church acquiring this property and inquired about the rapid rise in cost of the land over the last three years.

Rev. Brown indicated they would raise the question of the accelerated land cost at a later date.

There being no further persons wishing to appear in connection with this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 129-84 BE ADOPTED.

- (d) Resolution No. 130-84 requests authorization to award Site Improvement Contract No. 41 to Valentine Corporation in the amount of \$19,431.00 in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. The contract provides for the construction of public improvements, including sidewalks and curbs, and the installation of street trees in front of El Bethel Terrace, a residential housing development for

NEW BUSINESS (continued)

the elderly, located at the southwest corner of Fillmore Street and Golden Gate Avenue. Of the five bids submitted, Valentine Corporation was the lowest bidder whose bid was 19% below the Engineer's estimate. Staff reviewed the unit bid prices and considers them reasonable. Valentine Corp. has satisfactorily completed several contracts in the Western Addition and Yerba Buena Center and their Affirmative Action and Safety Programs were found satisfactory.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 130-84 BE ADOPTED.

- (e) Resolution No. 131-84 requests authorization to modify the previously granted Rental Agreement with Roni Rotholz dba Pita Shop for the property on the south side of Market Street between Third and Fourth Streets for the purpose of installing a vending cart in the Yerba Buena Center.

Mr. Hamilton reported on item (e) as follows. A rental agreement was authorized in December, 1983 with Roni Rotholz and Mel Zion dba Pita Shop to install and operate a vending cart on the Market Street entrance to the Project Area. The cart is a mobile, self-contained unit utilizing approximately 80 square feet of space. The monthly rental rate will be a minimum payment of \$600.00 against a percentage of the gross of 10% with the Agency receiving the larger of the two amounts. Since the approval in December circumstances precluded the installation of the cart in a timely manner but installation should occur by mid-May, 1984. During this period, Mel Zion has withdrawn from the undertaking due to other business commitments. Mr. Roni Rotholz has submitted a written request asking Agency approval of the agreement in his name only. There are no other changes in the agreement. When the original agreement was approved it was indicated that revenue loss from 2-3 parking spaces would result. However, the parking lot operator has agreed to make the site available at no cost to the Agency. The location of the cart is on the Central Block 1 and it is not anticipated this area will be needed immediately for development. Tenancy is on a month-to-month basis, and can be terminated when the property is needed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 131-84 BE ADOPTED.

- (f) Resolution No. 132-84 requests authorization of a Fifth Amendment to Agreement for Legal Services with the law firm of McDonough, Holland & Allen in an amount not to exceed \$75,000 in connection with the Yerba Buena Center.

Mr. Hamilton reported on item (f) as follows. The McDonough, Holland & Allen law firm has been providing service to the Agency under this contract through one of its partners, Joseph E.

NEW BUSINESS (continued)

Coomes, Jr. The contract amount has been periodically increased to a total of \$290,000 as the core negotiating team has intensified its efforts toward completion of document preparation. Except for a small amount remaining in the contract, which will be used for partial payment toward a current billing, this funding has been expended and staff wishes to amend this contract by an additional \$75,000 bringing the total to \$365,000. The principle hiring of this law firm has been through the vehicle of hiring law clerks. In its hiring of law clerks for this coming summer, from which would come associates who would be recommended for permanent positions with the firm, their hiring has been five: one Black, one Hispanic, one Japanese and two women.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 132-84 BE ADOPTED.

- (g) Resolution No. 133-84 requests authorization of a Fifth Amendment to the Agreement for Legal Services with the law firm of Shute, Mihaly & Weinberger in an amount not to exceed \$7,500 in connection with the Yerba Buena Center and Rincon Point-South Beach Project Areas.

Mr. Hamilton reported on item (g) as follows. The Shute, Mihaly & Weinberger law firm has been providing specialized legal services under this contract to assist the Agency in the ongoing environmental issues related to land use in the Yerba Buena Center and Rincon Point-South Beach Project Areas. The contract amount has been periodically increased and this addition of \$7,500 will bring the total amount to \$79,500. Although the contract pertains to both project areas, this additional funding is to be used for YBC EIR work and for continuing advice and consultation in YBC.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 133-84 BE ADOPTED.

- (h) Resolution No. 134-84 requests authorization of a contract with James H. Barry, Printers and Lithographers, for reproduction of the Disposition and Development Agreement documents for Yerba Buena Center in an amount not to exceed \$9,000.

Mr. Hamilton reported on item (h) as follows. It is currently estimated that the DDA documents will exceed 2,000 pages and a large number of copies will be needed for approval and implementation of the project. Copies of the documents are needed for technical review by the Agency and its consultants, as well as by Olympia & York/Marriott Corp. and their consultants. In addition, when the documents are completed, it will be necessary to make them accessible at several locations for public review. Bids were solicited from three firms with James H. Barry, the lowest bidder at \$9,000. In addition to offering the lowest price, the Barry Company promises a delivery date of three days, as opposed to 15 from the other two.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 134-84 BE ADOPTED.

- (i) Resolution No. 135-84 requests authorization for Mrs. Helen Sause, Project Director, Yerba Buena Center, to travel to Washington, D.C. to preside at the National NAHRO CR&D meetings being held July 14 - 16, 1984. Mrs. Sause will attend in her capacity as National Vice President of CR&D.

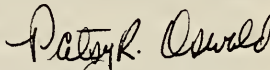
Mr. Hamilton reported on item (i) as follows. The National Committee will be meeting with HUD staff to discuss the latest regulation proposals and a number of significant issues relevant to conducting this Agency's program, including the housing production regulations, the potential OMB cut of some CDBG eligible cities, the tax bill which will govern use of tax exempt financing and industrial revenue bonds, the \$1.5 billion supplemental appropriation, technical amendments to the 1983 legislation, proposed legislation on infrastructure, amendment of the Uniform Relocation Act, the "Futures" Task Force, and the housing production process. Mrs. Sause will be leaving late afternoon on Friday, so it is not anticipated that her absence from the YBC project will be injurious, however, if there are critical issues being considered which will affect the project, she will not undertake this travel. The cost to the Agency for this travel, including air fare and related expenses will not exceed \$850.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 135-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:00 p.m.

Respectfully submitted,



Patcy R. Oswald  
Secretary

APPROVED

October 16, 1984



SF  
R35  
#4  
5/22/84

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
22ND DAY OF MAY, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 22nd day of May, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

- Melvin D. Lee, President
- Leroy King, Vice President
- Charlotte Berk
- Haig Mardikian

DOCUMENTS DEPT.

and the following were absent:

- H. Jesse Arnelle
- Walter S. Newman

JUN 14 1984

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The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Mary Rogers, Western Addition Project Area Committee (WAPAC); Jack M. Dairiki, Tosh Otsubo, Katherine Reyes, David Nakayawa, Janey Ogawa, Edith Tanaka, Yori Wada, Japanese Cultural & Community Center of Northern California (JCCCNC); Ocie Mae Rogers, Bayview Hunters Point Joint Housing Committee (JHC); Steve Kramer, Steefel, Levitt & Weiss; Bruce E. Loughridge, Lawrence Spergel and Roy Chew, interested citizens.

Representing the press was Jim Kelly, San Francisco Progress.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of a closed session meeting of March 27, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director Redmond F. Kernan reported to the Commissioners on the following matters:

- (a) A reminder that on May 23 from 6 to 8 p.m. the Technical Assistance Committee (TAC) for Yerba Buena Center will have a party to celebrate the presentation of the cultural plans for the Yerba Buena Gardens. This event will be held at the San Francisco Apparel Mart at 22 Fourth Street.



REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (b) The Agency's offices will be closed Monday, May 28, in observance of Memorial Day.
- (c) There will be no Agency meeting Tuesday, May 29, 1984. The next regular meeting will be held on June 5, 1984.
- (d) Mr. Hamilton, who was scheduled to be on vacation, is present.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a variance from open space requirements of the Redevelopment Plan for Parcel 688-C(3); Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in the matter.

Resolution No. 144-84 requests authorization to permit a variance from the open space requirements of the Redevelopment Plan pertaining to the property located at 1402-04 Post Street in the Western Addition A-2.

Mr. Kernan reported on item (a) as follows. Under Item 9(b) the Commission will be requested to approve an LDA with Bruce Loughridge and Lawrence Spergel for the purchase and rehabilitation of 1402-04 Post Street. Because this structure was designated for acquisition and demolition under the Redevelopment Plan, the development standards formulated at that time were intended to apply to a new development. With rehabilitation of the existing Victorian structure as it is now proposed, open space requirements in the Plan cannot be accomplished without demolishing a substantial portion of the building. Therefore, a variance from this requirement of the Redevelopment Plan would be necessary to allow the rehabilitation of the property. The Redevelopment Plan requires that open space be provided in the amount of 80 sq. ft. for the first Agency room of each dwelling unit, plus 20 sq. ft. for each additional Agency room. The existing structure of 19 Agency rooms requires a total of 640 sq. ft. of open space. However, because the lot coverage of the existing building which is constructed almost to the lot lines, there is no available existing open space. The proposed rehabilitation will contain approximately 98.5 sq. ft. of total balcony area, however, the balconies do not meet the minimum dimension of 6 feet required by the Plan for consideration as open space and are therefore not classified as "useable open space". In any event, even if these balcony areas can be interpreted as useable open space, they are still less than required by the Plan. The granting of this variance is consistent with the intent of the Plan, while providing for the variances where undue hardships, such as this case, exist. Given the constraints of the existing building and the alternative to this variance, staff believes the variance requested is reasonable.

NEW BUSINESS (continued)

Mr. Roy Chew, former owner of 1402-1408 Post Street, handed a letter to each Commissioner that indicated the property should revert back to the former owner.

There being no further persons wishing to appear in connection with the matter, President Lee declared the public hearing closed.

In reply to President Lee's inquires, Mr. Kernan indicated that the policy limits a former owner's repurchasing rights to one building. Mr. Chew had a choice between two buildings he formerly owned and close the building in which he now resides. Also, the subject property was under a public offering and Mr. Chew had the same opportunity to bid on it as anyone else.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 144-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in Agreement for Disposition of Land for Parcel 688-C(3); Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in the matter.

Resolution No. 145-84 requests authorization of an LDA with Bruce Loughridge and Lawrence Spergel for the purchase and rehabilitation of 1402-1404 Post Street in the Western Addition A-2.

Mr. Kernan reported on item (b) as follows. Exclusive Negotiations were approved in January, 1984 with Messrs. Loughridge and Spergel. This three-story Victorian was constructed as two units in 1890, and later illegally converted into five units. The Developers propose to rehabilitate the property as four residential condominium units comprised of one 1-bedroom unit, one 2-bedroom unit, and two 3-bedroom units. They will also provide parking spaces for the two additional units. As a market rate condominium project, an additional condition is incorporated into the LDA which provides for a Profit Limitation/Sharing provision, which requires that the Developers pay the Agency 50 percent of all profits realized from the sale of the condominium units in excess of 20 percent of the Allowed Development Costs. Mr. Loughridge, a Western Addition A-2 Residential Certificate of Preference Holder and Dr. Spergel have both submitted sufficient evidence of financial capacity and experience to undertake the successful completion of the rehabilitation. Mr. Loughridge has successfully completed the rehabilitation of other properties in the Western Addition and Dr. Spergel has successfully completed several projects outside the Western Addition area. The Schedule of Performance is to submit evidence of financing no later than October 23, 1984 and conveyance of the site no later than December 18, 1984.

There being no further persons wishing to appear in connection with the matter, President Lee declared the public hearing closed.

NEW BUSINESS (continued)

Mr. Mardikian indicated his concern that this property was being developed as condominiums instead of rental units and Mr. Kernan indicated that the offering afforded the highest bidder the choice between condominiums and rentals and the developer chose condominiums. Mr. Mardikian indicated he was concerned about creating more rental housing and felt that rehabilitation offerings were the best opportunity to create rental housing. Mr. Kernan indicated that though the Agency could not change this offering, staff will be advised to look at those parcels which need a lesser degree of rehabilitation that might be economically feasible for rental development.

President Lee inquired about sales prices of the units and Mr. Loughridge indicated he did not have those figures available. President Lee encouraged the establishment of sales prices as soon as possible.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 145-84 BE ADOPTED.

- (c) Resolution No. 146-84 requests authorization of an Addendum to the Land Disposition Agreement with Nihonmachi Community Development Corporation (NCDC) for the parcel located on the north side of Sutter Street between Webster and Buchanan Streets in the Western Addition A-2.

Mr. Kernan reported on item (c) as follows. In March, 1968 an agreement between the Agency and NCDC was authorized that covered all land to be developed in the four block Nihonmachi area. The NCDC allocated the subject parcel to the Japanese Cultural and Community Center of Northern California (JCCCNC) who proposes to construct a two-story community center. The proposed facility requires no on-site parking. Parking will be accommodated by the common parking facilities developed in Block 685 and to be developed in Block 686. Also available for parking are over 800 spaces in the Japan Center garage. The estimated construction cost of the entire community center complex is \$2,650,000. The JCCCNC has raised in excess of \$1,000,000 for the development. Additionally, the Mayor's Office of Housing and Community Development has allocated \$200,000 to the project. The balance of the construction cost will be covered by a loan from a consortium of community banks. The site is presently improved with a four flat wood frame building occupied by two residential tenants and several nonprofit organizations who will have to be issued appropriate notices to vacate. Subsequently, the site will be cleared. The demolition contract will be the subject of a future agenda item. The Schedule of Performance will be Submission of Evidence of Financing February 22, 1985; Conveyance of the Site March 22, 1985; and Completion of Construction March 22, 1987. The proposed development has been reviewed and approved by NCDC and WAPAC.

NEW BUSINESS (continued)

Mr. Yori Wada, Japanese Community Cultural Center of Northern California (JCCCNC), noted that in January, 1962, he was part of the Japan Town delegation that met with Agency staff to begin consultation of the development of the four square blocks. It has been 16 years since the agreement was signed with the Agency and it has finally reached a point where the Center has a fund raising team of which he is chair. President Lee inquired how the \$1.2 million was raised so quickly, and Mr. Wada responded that he wished it had been quickly, but it took a year. President Lee offered his congratulations to the Center.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 146-84 BE ADOPTED.

- (d) Resolution No. 147-84 requests authorization to increase the Steefel Levitt & Weiss contract in the amount of \$100,000 in order to complete the required document production of the Yerba Buena Gardens transaction.

Mr. Kernan reported on item (d) as follows. This contract is for services in connection with ongoing negotiations and drafting of documents with respect to the Central Blocks development proposal.

A discussion occurred between Commissioners, Staff, and Mr. Steven Kramer of Steefel, Levitt & Weiss regarding the legal services contract with Steefel, Levitt & Weiss for the Yerba Buena Center. A recording of that discussion is on file with the Agency Secretary.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 147-84 BE ADOPTED.

- (e) Resolution No. 148-84 requests authorization of an Option to Lease Agreement with the Port of San Francisco for lands within the South Beach portion of the Rincon Point-South Beach Project Area.

Mr. Kernan reported on item (e) as follows. The option/lease arrangement would allow the Agency to undertake development of those properties consistent with the approved uses, which include a small boat harbor, parks, housing, commercial and public rights of way. This option effective for 11 years would allow the Agency to lease various parcels of land within the defined area for a period not to exceed 66 years less the period of time that the option remains unexercised. Mr. Frank Cannizzaro, Project Director of the Rincon Point-South Beach Project will present the details of the Agreement and report on the latest developments which were discussed at a Port meeting he attended this afternoon. The Port is scheduled to consider the approval of the Agreement tomorrow, May 23, after which it will be forwarded to the Board of Supervisors for approval. The terms of the Agreement will allow the Port to realize a return in excess of the fair re-use values of the property and allow the Agency to proceed with implementation of the Redevelopment Plan uses.

Minutes of a Regular Meeting, May 22, 1984

NEW BUSINESS (continued)

Mr. Hamilton left the meeting at this time, 4:50 p.m.

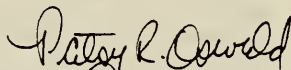
Mr. Cannizzaro outlined the most recent issues concerning the Option to Lease Agreement with the Port and requested approval of the Agreement subject to the Executive Director working out those issues.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 148-84 BE ADOPTED, AS AMENDED.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:00 p.m.

Respectfully submitted,



Patsy R. Oswald  
Secretary

APPROVED

June 5, 1984



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5/15/84

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
15TH DAY OF MAY, 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:05 o'clock p.m. on the 15th day of May, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

- Melvin D. Lee, President
- Leroy King, Vice President
- Charlotte Berk
- Haig Mardikian

and the following were absent:

- H. Jesse Arnelle
- Walter S. Newman

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Nolan Frank, developer; John Riley, Dawson and J.R.'s Construction, Inc.; Ocie Mae Rogers and Anthony L. Morris, Join Housing Committee; Sandra Peltz, Divisadero Heights; Pleasant Carson, Mary Rogers, and Essie Collins, Western Addition Project Area Committee (WAPAC); Arnold Townsend, 1325 Divisadero; and Roy Chew, interested citizen.

Representing the press was Jim Kelly, San Francisco Progress.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried that the minutes of the Closed Session of March 13, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The 1984 Summary of Project Data and Key Elements of the Redevelopment Program, known as the FACT Book, has just been distributed. Staff, once again, has done a tremendous job in putting this well-used book together. Special recognition goes to Tom Conrad, Chief of Planning, Housing and Programming, under whose direction the book was prepared with editing by Zita Hughes. Graphics and cover design credit goes to Erwin Tanjuaquio.

UNFINISHED BUSINESS

- (a) Resolution No. 127-84 requests authorization to grant Variances from the Permitted Density of Development and Open Space Requirements of the Redevelopment Plan pertaining to two Parcels, 1129-I and 1129-Q, located at 1800-1844 Turk/1101 and 1107-1111 Divisadero Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. At last week's meeting, the Public Hearing on this item was called and after public comment it was closed. At Commissioner Mardikian's request, action on this item was continued for one week so that he and the other Commissioners could view the site and consider the public testimony. Since the Granting of the Variance is also related to the authorization of the LDA, which is the next item on the Agenda, the Public Hearing on the LDA was opened, testimony taken and then the Public Hearing was closed. It was then determined to reopen the Public Hearing at tonight's meeting to take further testimony. Action on the LDA was also continued to tonight's meeting. Also, the Resolution has been modified so that the granting of the Variances is now expressly conditioned upon the Agency's conveyance of said properties to Nolan Frank and Frances Lung pursuant to the LDA. Open space was discussed with Mr. Frank and it was determined that 574 sq. ft. rather than the previous 350 sq. ft. of open space could be provided mainly through the addition of deck areas. An additional 676 sq. ft. could be provided through the addition of balconies; however, balcony spaces could not technically be classified as open spaces because of their nonconformance with the minimum dimensions required in the provisions of the Redevelopment Plan. Notwithstanding, that effort has been made. The variance would be in the interest of achieving program objectives and goals which are related to the Agency's program in rehousing persons who would be difficult if not impossible to rehouse. The development, even with the additional density, is difficult and economically tight. The matter of the adjacent parcel is an independent consideration which has no relationship to the matter of the variance. If that parcel were reserved as open space, staff architects and planners believe it would be a poor location for what would be a postage stamp or mini-park as such parks in San Francisco have been poorly maintained and used. A value problem is also raised since the parcel is privately owned by Mr. Frank who would have an opportunity to develop the parcel for residential uses in conformance with the Redevelopment Plan. It is staff's belief that provisions for the entire lot to be open space is not a reasonable solution to the problem.

Ms. Mary Rogers, Western Addition Project Area Committee (WAPAC), indicated support of staff's recommendation on the variance and noted concern about the Hart's rehousing needs.

The Commissioners noted their concerns regarding the density of this development and the lack of open space. It inquired if Mr. Frank, who purchase the adjacent lot, could develop it less densely than allowed in the Redevelopment Plan. Mr. Frank responded that to date

UNFINISHED BUSINESS (continued)

no plans have been drawn; however, efforts to provide as much open space as economically feasible would be made.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 127-84 BE ADOPTED.

MOTION: It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried to reopen the Public Hearing regarding the Land Disposition Agreement (LDA) for Parcels 1129-I and 1129-Q; Western Addition A-2.

- (b) Reopening of the Public Hearing to hear all person interested in the Agreement for Disposition of Land for Parcels 1129-I and 1129-Q; Western Addition A-2.

President Lee reopened the Public Hearing to hear all persons interested in this matter.

Resolution No. 128-84 requests authorization of a Land Disposition Agreement with Nolan Frank and Frances Lung for the purchase and rehabilitation of 1800-1804 Turk/1101 Divisadero, and 1107-1111 Divisadero Street in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. In June, 1983, exclusive negotiations were authorized with Nolan Frank for the purchase and rehabilitation of two buildings located on the corner of Turk and Divisadero Streets. Mr. Frank proposes to rehabilitate the two buildings as one development and to provide two units to house the current tenant at 1800 Turk Street, Robbie Hart and her family. This LDA would provide the housing as discussed under item (a) using the Section 8 moderate rehabilitation housing assistance contract for the Hart family for a period of 15 years. It would require the following under the key performance dates: evidence of financing not later than November 1, 1984 and conveyance of site not later than December 15, 1984.

There being no persons wishing to appear in connection with the matter, President Lee declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 128-84 BE ADOPTED.

NEW BUSINESS

- (a) Resolution No.'s 136-84 through and including 140-84 request authorization of a Seventh Amendatory Agreement to the LDA with the Developer of Lot 12, and Eighth Amendatory Agreements with the Developers of Lots 1, 3, 4 and 6 within Site S-4 located on Hunters Point Hill and Whitney Young Circle, in the Hunters Point Project Area.

Mr. Hamilton reported on item (a) as follows. LDA's were authorized with these developers for the development of single-family homes. They were selected from an Agency offering which was offered

NEW BUSINESS (continued)

exclusively to Hunters Point Certificate Holders and to the residents of the Hunters Point Bayview area. The pre-conveyance process continues to take longer than anticipated, but is nearing conclusion. Staff has examined each of the five developer's status on a case-by-case basis and propose extensions from May 16, 1984 to August 1, 1984 for the following developers: Gordon Reese for Lot 1; Robert Primus for Lot 3; Jimmie and Earnestine Wilson for Lot 4; Melvin Hayes for Lot 6 and Leroy and Lila Wise for Lot 12. Also, if the developers do not meet the required conveyance date of August 1, 1984, the property will have to be reappraised in accordance with current Agency practice.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO.'S 136-84 THROUGH AND INCLUDING 140-84 BE ADOPTED.

- (b) Resolution No. 141-84 requests authorization to amend the Agency's Reoffering Policy for former owners.

Mr. Hamilton reported on item (b) as follows. A Reoffering Policy was adopted in January, 1979, for former owners setting forth guidelines under which the Agency would offer property back to former owner-occupants from whom it had acquired the property. The purpose of the Policy was generally to permit former owner-occupants of one-to-four unit residential buildings to reacquire their property from the Agency when a change of plans or circumstances made their preservation of the historic one-to-four unit residential use possible. The Policy was not intended to allow a former owner to acquire property in addition to that which he or she might acquire through exercise of a Certificate of Preference; but rather, to allow the Certificate to be used to reacquire the specific property which he or she had previously sold to the Agency. The Policy also defined the price which was established at the greater of the Agency's acquisition price, or the HUD minimum land price plus 20%. Since the Agency's disposition of property was at that time constrained by our Loan and Capital Grant Contract with HUD, each reoffering was expressly made contingent on a HUD waiver, if required. The Proposed amended Policy will eliminate the requirement of a HUD waiver: establish the price at the fair reuse value of the land and improvements; the necessity for, and use of, a Certificate of Preference will be clarified by expressly so stating; and, some other non-substantive language changes are included in the amended Policy for purposes of clarity.

Ms. Mary Rogers, WAPAC, inquired how the value of the property would be established, and Mr. Hamilton indicated the property would be appraised as raw land plus the "as is" existing improvements.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 141-84 BE ADOPTED.

- (c) Resolution No. 142-84 requests authorization to award Site Improvement Contract No. 42 to Dawson Construction and J.R.'s Landscaping in the amount of \$16,442.00 in the Western Addition A-2.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. The contract provides for the construction of public improvements, including sidewalks and curbs, and the installation of street trees in front of Jones Senior Homes, a residential housing development for the elderly, located at the northwest corner of Fillmore and Post Street. Of the four bids submitted, Dawson Construction and J.R.'s Landscaping was the lowest bidder. Both their Affirmative Action and Safety Programs were found satisfactory.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 142-84 BE ADOPTED.

- (d) Resolution No. 143-84 requests authorization of a Second Amendatory Agreement to the LDA which revises the Conveyance Date with 1325 Divisadero Street, a Limited Partnership, for the building located at 1325-1329 Divisadero Street in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. An LDA was authorized in June, 1983, with the developers for the rehabilitation of a 16-residential unit building and ground floor commercial space. Following completion, the residential units will be conveyed as condominiums to low and moderate income individuals and the commercial area to KP00 radio station as a permanent facility. All pre-conveyance requirements of the LDA have been met. However, the process for conveyance is complicated by a Notice of Condemnation issued by the City's Superior Court which requires correction of code violations in the building. The lender, Bank of America, requires this encumbrance be subordinate to the construction loan. To accomplish this requirement, a subordination agreement that will lift the condemnation order will have to be issued by the director of the Department of Public Works. This subordination agreement is then recorded by the City and will permit placement of the Notice of Condemnation in a junior position to the first deed of trust. Staff has been in contact with the appropriate city departments and has determined that it will require approximately one to two weeks to effect the lender's requirement. Additionally, the lender has indicated that the loan closing documents would take at least two weeks to complete. Staff recommends amending the scheduled conveyance date from May 15, 1984 to June 15, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 143-84 BE ADOPTED.

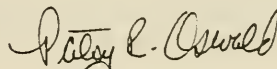
ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:00 p.m.

Respectfully submitted,

APPROVED

June 5, 1984

  
Percy R. Oswald  
Secretary





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84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
1ST DAY OF MAY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 1st day of May, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Walter S. Newman

DOCUMENTS DEPT.

and the following was absent:

OCT 29 1984

H. Jesse Arnelle  
Haig Mardikian

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The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Jose Rodgers, Anthony L. Morris, Joint Housing Committee; Mary Rogers, Western Addition Project Area Committee (WAPAC); Dawn Atkinson, League of Women Voters; L. Jamerson, Jamerson Developers; Jemc Campbell, Free Enterprise US; Carl Williams, Evert Heynneman, Joan San Jule, Betty Brooks, San Francisco Housing Authority; Essie Collins, Harold Bexton and Jacqueline Young, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. Newman, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of March 27, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) Best wishes are extended to Ms. Berk on the occasion of her birthday.
- (b) Ms. Joean Wright and Ms. Emma Dickson the lottery winners for the two expandable homes in Hunters Point have now moved into their new homes.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel F-8(b), India Basin Industrial Park.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 124-84 requests authorization of a Land Disposition Agreement with Thomas and Helene Stapleton for Parcel F-8(b), located on the westerly side of Keith Street between Evans and Fairfax Avenues in the India Basin Industrial Park.

Mr. Hamilton reported on item (a) as follows. Mr. and Mrs. Stapleton are the principal owners of the MacPherson Leather Supply company located at Polk and Ellis Streets, which they have recently sold. They now wish to relocate their business to India Basin and propose to construct a 15,320 square foot building and parking area for office, warehousing and light manufacturing in connection with the leather supply business. The Developer currently employs 17 persons and anticipates adding one or two employees in the near future. The Developer hopes to be under construction by early fall, 1984 although the LDA provides for conveyance no later than February 6, 1985, and commencement of construction with 30 days after conveyance. Construction will take approximately 12 months. Staff finds that the proposal is well designed and appropriate for the India Basin Industrial Park. Since submitting the proposal, the Developer has utilized the services of Young Community Developers, the Mayor's manpower office for local community employment in hiring one additional employee. The Developer has preliminary financial commitments from a lending institution with which he has done previous business. The Bayview Hunters Point Joint Housing Committee has reviewed and recommends approval of this development.

There being no person wishing to appear in connection with this matter the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 124-84 BE ADOPTED.

- (b) Resolution No. 125-84 requests authorization of a First Amendatory Agreement with Essie Collins for the Parcel located on the north side of Eddy Street between Broderick and Divisadero Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. An LDA was authorized in November, 1983 with Ms. Collins to develop 12 market-rate residential condominiums consisting of one, two and three bedroom units. Preliminary construction drawings were submitted and which were approved with the condition that design deficiencies would be worked out during preparation of final construction documents. Unfortunately, the resolution of the

NEW BUSINESS (continued)

deficiencies which include second means of egress and internal circulation, have significantly delayed the design work. Ms. Collins has requested a 90 day extension of the dates in the performance schedule to complete final construction documents. The requested extension will, therefore, change the submission dates of Final Construction Documents from May 2 to August 1, 1984 and submission of Evidence of Financing from July 11 to October 10, 1984.

Mr. Harold Bexton, architect for the development, indicated there are three factors delaying the development which are all interrelated. The first one is design changes, because of a strict interpretation of the room count; the second one is a market analysis in relation to some of the design changes and the third is construction costs for which bids came in high compared to the sales prices that had been anticipated.

President Lee inquired about the problem with the second means of egress and Mr. Bexton indicated a solution to solve the second means of egress was to add extra stairwells. However, that added costs. Now they are trying to work out something simpler with drop ladders.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 125-84 BE ADOPTED.

- (c) Resolution No. 126-84 requests authorization of a Personal Services Contract with Alexander Grant and Company for technical services in conjunction with the Yerba Buena Center Cultural Program; Yerba Buena Center.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that item (c) would be continued for one week at staff request. There being no objection, it was so ordered.

MATTERS NOT APPEARING ON AGENDA

- (a) Mr. Hamilton referred to the presentation by Mr. Lafayette Jamerson at last week's meeting, at which Mr. Hamilton was not present. Mr. Hamilton indicated that in the Commissioners' folders today is a written response to the submission that was the subject of the oral presentation last week by Lafayette Jamerson. Also, the Agency is in receipt today of a new writing from Mr. Ulysses J. Montgomery of MCO Consulting Engineers, Inc., who by this letter represents Mrs. Elizabeth Jamerson, requesting specifically some time considerations with respect to extensions. After the Commission has reviewed the response to Lafayette Jamerson's letter, which is self-explanatory, he would be glad to respond on the record or as the Commission wishes as to its content. With regard to the MCO correspondence, staff will review this and be in touch with Mrs. Jamerson and Mr. Montgomery for the formulation of an appropriate response and or discussion.

President Lee indicated that the meeting would be recessed to the fourth floor conference room for item 9(d). The meeting recessed at 4:22 p.m. The meeting reconvened at 4:40 p.m. with the same roll call.

NEW BUSINESS (continued)

- (d) Joint Commissions' Workshop on the Hunters Point Hill Report with the San Francisco Housing Authority Commission and the San Francisco Redevelopment Agency Commission.

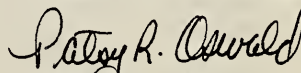
Mr. Hamilton reported on item (d) as follows. The purpose of this workshop is for the Housing Authority Commission and the Redevelopment Agency Commission to review the recommendations of the Hunters Point Hill Report. The City of San Francisco, through its Housing Authority and its Redevelopment Agency, has a massive investment in Hunters Point. Of particular consequence is the community's status as one of the most underdeveloped areas in the city. As pressures increase to expand San Francisco's housing supply, or to intensify industrial development, the vacant and underdeveloped land on Hunters Point Hill will be developed. Unless steps are taken to influence this development, such lands which are under a variety of ownerships might ultimately be developed for purposes which are not compatible with the existing community. In recognition of the longstanding involvement and substantial investment of both agencies in Hunters Point, the Housing Authority Commission in the fall of 1981 directed the Housing Authority to explore areas of common interest with the Redevelopment Agency pertaining to the current and future development of the Hunters Point Community. In the spring of 1982, this Commission concurred with the Housing Authority Commission directive. As a result, a joint planning study was undertaken of what has come to be known as Hunters Point Hill. The report based on this study focuses upon the existing residential community as it is presently developed or is to be developed through the redevelopment and public housing processes, and upon approximately 100 acres of vacant and under-utilized land within seven potential development sites.

Mr. Evert Heynneman, Director of Planning for the Housing Authority and Mr. Thomas Conrad, Chief of Planning for the Redevelopment Agency, made the presentation of the report.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Newman and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:20 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

October 2, 1984



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
10TH DAY OF APRIL 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 10th day of April, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Leroy King, Acting President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

and the following was absent:

Melvin D. Lee, President (arrived at 4:12 p.m.)  
H. Jesse Arnelle

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Anthony Morris, Joint Housing Committee; Allen Michaan, Renaissance Rialto Inc.; Mark Wilder, Ellis St. Ltd.; Noni Richen, Beideman Group; Dr. Rhody A. McCoy, Jim Stratten, R & J Futuristic, Inc.; Ron McCommon, U.J.A.; Nicola Smith, SMC/KPC; Pleasant P. Carson, Jr., Western Addition Project Area Committee (WAPAC); and Altheda & Roosevelt Carrie, interested citizens.

REPORT OF THE PRESIDENT

- (a) Ms. Berk noted that tomorrow night, the National Housing Conference will be honoring Wilbur W. Hamilton as its Northern Californian of the Year at a dinner at the St. Francis Hotel. This tribute also honors the Agency's role in the generating of more low-to-moderate income housing in the City in the past 10 years than any other entity.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) As announced at last week's meeting, this Thursday, April 12, the Mayor, the Redevelopment Agency and Olympia and York will be announcing the preliminary agreement for the development of the Yerba Buena Gardens. This will be held at 12 Noon at the St. Francis Hotel's Grand Ballroom.

NEW BUSINESS

RULE OF THE CHAIR: Acting President King indicated that subject to the objection of any Commissioner, item 9(a) would be continued until President Lee's arrival. There being no objection it was so ordered.

- (b) Resolution No. 98-84 requests authorization of a Fifth Amendatory Agreement to the LDA with Roosevelt and Altheda K. Carrie for Parcel 683-D(2) located at 2075 - 2089 Sutter Street in the Western Addition A-2.
- (c) Resolution No. 99-84 requests expenditure of additional funds in connection with the temporary move arrangement of Carrie General Insurance Company.

Mr. Hamilton reported on items (b) and (c) as follows. In October, 1981, an LDA was approved for the purchase and rehabilitation of a three-story Victorian building for commercial office use and subsequently, Four Amendatory Agreements were approved revising the Schedule of Performance, Site Plan and Site Legal Description of the LDA. The LDA provides a 12-month construction period commencing from the date of conveyance which period expired on April 5, 1984. The work under the rehabilitation contract is presently 60 percent complete, however, during the course of rehabilitation, several unanticipated structural problems were encountered which required architectural design changes, resulting in construction delays. The changes also resulted in a substantial funding problem such that the contractor suspended his work on March 1, 1984 and refused to resume until additional funds became available. Staff has met with the Developers, their architect, and their contractor to resolve the various problems and it appears likely that construction may resume within the next 3 to 4 weeks. This Fifth Amendatory Agreement provides an extension of six months to complete the rehabilitation work from April 5 to October 5, 1984. As a result of this six month extension, there will be some additional costs associated with the temporary accommodation of Carrie General Insurance Company in which they moved to a temporary site to permit the completion of rehabilitation at 2075 - 2089 Sutter Street. In May, 1983, an expenditure of \$4,500 was approved for this temporary accommodation which amount is now exhausted, and additional funds in the amount of \$2,040 will be required to allow continuance at the temporary site for six months.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 98-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 99-84 BE ADOPTED.

- (d) Resolution No. 100-84 requests authorization to reject all responses to Rehabilitation Offering No. 23 for the purchase and rehabilitation of the structures located at 1353 - 1357 Eddy Street, 1917 Ellis Street and 1915 - 1919 Eddy Street in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (d) as follows. In December, 1983, the public offering of three Agency owned parcels improved with Victorian-type buildings was approved under Rehabilitation Offering No. 23. During the period of the Offering, twenty-five (25) Developer's Packets were sold to individuals, of which three are holders of a Certificate of Preference. One response was received for the property at 1917 Ellis Street from Mark Wilder, a Western Addition A-2 Certificate Holder, Craig Martin and Michelle Clark. They have the capability to financially proceed with the development of the property, however, they did not submit the required minimum deposit of \$2,500, which is a cause for rejection. Although the Offering further provides that the Agency has reserved the unqualified right to waive any and all defects as to its form and content, staff has determined that the recommended rejection of the response is in the best interest of the Agency. A survey was conducted of those individuals who purchased Developer's Packets and several individuals indicated that the properties are "overpriced and too expensive to rehabilitate", and in considering the total cost to purchase and rehabilitate the properties, the "project does not pencil out". Others indicated they were busy with other business matters and were not interested at this time. Therefore, this lack of response makes it necessary for staff to re-evaluate the disposition of these parcels. Staff will submit its recommendation to you at a later date.

Ms. Noni Richen, Beideman Area Neighborhood Group, indicated the buildings in this offering should be reappraised and reoffered, as it appeared they were overpriced. She also requested the building at 1985 Ellis Street be included in the reoffering.

Mr. Mark Wilder, Ellis Street, Ltd., indicated he was the only bidder for 1917 Ellis Street, his preliminary financing had been approved, he is a Certificate of Preference Holder and he would like to negotiate for the building at 1917 Ellis Street. Mr. Hamilton inquired why he had not submitted the deposit with the bid package and Mr. Wilder indicated he had left it in his office by mistake. Mr. Hamilton indicated he would look at negotiating this property with Mr. Wilder.

At this time President Lee arrived and resumed the chair, 4:12 p.m.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 100-84 BE ADOPTED.

NEW BUSINESS (continued)

At this time President Lee indicated that item (a) would be taken up.

- (a) Public Hearing to hear all persons interested in the granting of joint use of parking spaces at Opera Plaza; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 97-84 requests authorization to grant a joint use of 35 existing parking spaces in the Opera Plaza development, Block 762, bounded by Van Ness, Turk, Franklin and Golden Gate in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. Opera Plaza desires to install four small movie theaters in Opera Plaza with a total seating capacity of 384. The developer perceived that this use would substantially increase the potential traffic to the retail spaces, thus improving the retail sales in the complex. The Opera Plaza project now satisfies the required independently accessible parking spaces for each separate land use such as residential, office space. The movie theaters would increase the parking requirement by 35 spaces which in theory cannot be accommodated. However, the A-2 Redevelopment Plan permits the Agency to approve a joint use of parking spaces if it finds and determines that such joint use will adequately serve the needs of the joint users. To permit a joint parking use, Opera Plaza has indicated that the theaters will not have matinee shows during the work week when there might be a conflict with the use of the 60 office parking spaces. Also, Opera Plaza has indicated that approximately 350 spaces out of the 450 assigned spaces are currently being used by the residential units. In addition, the garage capacity is further increased to a total of 714 spaces because the commercial parking located on the first level is operated as attendant parking. Thus, there is an apparent parking surplus available. Notices of the public hearing were sent to all property owners within a 300 foot radius of the Opera Plaza complex. Because the required parking for the office space and that for the movie theaters will occur at readily identifiable and totally separate times, it is believed that a joint use of parking in this particular situation would serve the needs of both users.

The following persons spoke in support of this item: Peter Palmisano, Manager, Opera Plaza; Peter Arnold, General Manager, Opera Plaza; Modesto Lanzone, Owner, Modesto Lanzone's Restaurant; Paul Erlick, Publisher, Center Voice; Allan Michaan, President Renaissance Rialto Theaters; Neil Soffman, Co-Owner, Clean Well Lighted Place for Books; Marsha Rockner, Resident, Opera Plaza; Roger Hall, Commercial Property Manager, Opera Plaza; Dedra Conon, Owner, Rose Bowl Florist; Helen Patterson, Co-Owner, Plate Lady; Shema Antirranpi, Owner, Opera Plaza Grocery & Deli; Joan Capwell, Co-Owner, Firenzi Ice Cream and Cafe; Pleasant Carson, WAPAC: Mr. Brown, Resident, Opera Plaza; and Tom Callinan, Pacific Union Development Company.

NEW BUSINESS (continued)

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

The Commissioners expressed concern about granting this joint use of parking and requested this item be continued for one week so that staff could draft the appropriate language to grant the joint use condition on the following: (a) the presence of four movie theaters will not exceed a total of 385 seats; and (b) the operation and maintenance of attendant parking in the complex; and (c) the limitation of public screenings in the theaters to after 5:00 p.m. except on weekends and holidays.

MOTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT THIS ITEM BE CONTINUED FOR ONE WEEK SO THAT STAFF COULD DRAFT THE APPROPRIATE LANGUAGE FOR THE RESOLUTION THAT WOULD CONDITIONALLY GRANT THE JOINT USE OF PARKING SPACES.

- (e) Resolution Nos. 101-84 through and including 104-84 request authorization of Seventh Amendatory Agreements with the developers of Lots 2, 7, 10 and 11 within Site S-4 in Hunters Point.

Mr. Hamilton reported on item (e) as follows. LDA's were authorized with these 4 developers for development of single-family homes. The developers were selected from an Agency offering which was offered exclusively to Hunters Point Certificate Holders and to the residents of the Bayview area. The pre-conveyance process continues to take longer than anticipated, but is nearing conclusion. Staff has examined each developer's status on a case-by-case basis and propose extensions from April 18 to July 18, 1984 for the following developers: Gene, George and Oletha Mabrey for Lot 2; Simon Brown for Lot 7; Dr. and Mrs. Askia Sonyika for Lot 10; and Steva Cheatham and Gregory and Lavern Best for Lot 11.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NOS. 101-84 THROUGH AND INCLUDING 104-84 BE ADOPTED.

- (f) Resolution No. 105-84 requests authorization of the issuance of \$37,000,000 in Bonds and the execution of the Bond Purchase Agreement, the Final Official Statement, the Origination and Servicing Agreement with the lender, the Developer Agreement with the Developers, the Rules and Regulations for administration of the Program and the Trust Indenture.

Mr. Hamilton reported on item (f) as follows. At last week's meeting, the Preliminary Official Statement (P.O.S.) was approved describing the subject Bonds and authorizing its distribution. These bonds are to be issued in connection with the developments of Bushmoor Associates for 52 units on the east side of Fillmore between Bush and Sutter; Suttermore Corporation for 84 units on



NEW BUSINESS (continued)

Sutter between Fillmore and Steiner; Kimball Park for 20 units on O'Farrell between Fillmore and Steiner in the Western Addition A-2 and LaSalle Heights for 90 units on the parcel bounded by LaSalle, Hudson and Whitney Young Circle in Hunters Point. The security for the Bonds is limited to the Revenues derived from the Mortgage Loans to be purchased with the proceeds and the various funds and accounts held by the Trustee. The general fund of the Agency is not exposed to any liability whatsoever.

Mr. Newman noted that since his wife is a Director of Wells Fargo Bank, he would abstain from voting on this item.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 105-84 BE ADOPTED.

- (g) Resolution No. 106-84 requests authorization to engage the James H. Barry Company - Printers and Lithographers for reproduction of the 1984 Edition of the SAN FRANCISCO REDEVELOPMENT PROGRAM -- SUMMARY OF PROJECT DATE AND KEY ELEMENTS, commonly known as the "Fact Book", at a cost not to exceed \$10,582.91.

Mr. Hamilton reported on item (g) as follows. Estimates were solicited from four local printers with James H. Barry Company submitting the lowest bid. It is a useful document internally for reference purposes and a forceful document externally for describing the San Francisco Redevelopment Program and its current status.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 106-84 BE ADOPTED.

- (h) Resolution No. 107-84 requests authorization to accept the auto insurance premium of \$10,100 from Levinson Bros., Inc. for 23 Agency vehicles from April 20, 1984 to April 20, 1985.

Mr. Hamilton reported on item (h) as follows. The proposal specifications requested a maximum coverage of \$1,000,000 and any alternative proposal which would provide satisfactory coverage was welcome. Three bids were received with the lowest bid from Levinson Bros., Inc. for a coverage of \$5,000,000. Staff inquired why a quote for \$1,000,000 was not made and Levinson Bros. indicated they had recently entered into an arrangement with United States Fire Insurance Company whereby the minimum public liability coverage for public agencies would be \$5,000,000. This arrangement resulted in a significant reduction in the premiums quoted by U.S. Fire - resulting in the quote for \$5,000,000 at less cost to the Agency than \$1,000,000 from other sources. The insurance agent advised that the \$5,000,000 minimum reflects the more normal minimum being requested by public agencies across the State. In view of this statement, it is staff's intention to re-assess our coverage requirements. In the meantime, however, it appears advantageous to the Agency to select the lowest bidder with this increased coverage.

Minutes of a Regular Meeting, April 10, 1984

NEW BUSINESS (continued)

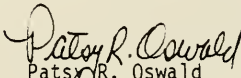
Mr. Newman noted that he holds an insurance license and would therefore abstain from voting on this item.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 107-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:30 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

July 17, 1984



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
3RD DAY OF APRIL, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 3rd day of April, 1984, the place and date duly established for the holding of such meeting.

The Acting President called the meeting to order and on roll call the following answered present:

Leroy King, Acting President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

Melvin D. Lee, President (arrived at 4:05 p.m.)  
H. Jesse Arnelle

The Acting President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Bob Davis, James San Jule and Tony Taylor, Fillmore Associates; and Sarah Blackstone, Mark Felton, Susan Walters and Dave Cincotta, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. Newman, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of March 13, 1984, as distributed by mail to the Commissioners, be adopted.

President Lee arrived at this time and resumed the chair, 4:05 p.m.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) It is suggested that tonight's meeting be adjourned in memory of Mr. John Rowland, who passed away Saturday, March 31, 1984. John worked for the Agency in the Fiscal Division for 12 years and he will be missed. Services for John were held today at noon.
- (b) April 12 has now been set for the joint announcement by the Redevelopment Agency staff, the Mayor and Olympia and York on the preliminary agreement for the development of the Yerba Buena Gardens Project.

NEW BUSINESS

- (a) Public hearing to hear all persons interested in the execution of a deed for the sale of a portion of Parcel 754-C ; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 91-84 requests authorization of the sale of Parcel 754-C, 1412 Golden Gate Avenue to Keith and Sarah Blackstone.

There being no persons wishing to appear in connection with this matter, the President declared the public hearing closed.

- (b) Public Hearing to hear all persons interested in the execution of a deed for sale of a portion of Parcel 754-C; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 92-84 requests authorization of the sale of Parcel 754-C, 1406 Golden Gate Avenue to Erris and Debra Edgerly.

There being no persons wishing to appear in connection with this matter, the President declared the public hearing closed.

- (c) Public Hearing to hear all persons interested in the execution of a deed for sale of a portion of Parcel 1100-R; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 93-84 requests authorization of the sale of Parcel 1100-R, 1962 Ellis Street to Mark Felton and Susan Walter.

There being no persons wishing to appear in connection with this matter, the President declared the public hearing closed.

Mr. Hamilton reported on items (a), (b) and (c) as follows. To date, twenty of the 31 condominium housing units in this program have been conveyed and four additional applicants are being processed for loan approval. The four units remaining at Endicott Court have been listed with the San Francisco Realtor Multiple Sales Service at the reduced prices pursuant to your action on February 7, 1984. At the time the memo was sent to the Commission it was believed no certificate holder had made an offer. However, staff has since learned that on the last day an offer could be made, Mr. Robert Evans, a certificate holder and current tenant in 1905 O'Farrell did submit an offer. This offer is being reviewed and is the subject of an agenda item next week. Also, two potential non-certificate holders have made applications and are in the process of obtaining loan approval.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 91-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 92-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 93-84 BE ADOPTED.

- (d) Resolution No. 94-84 requests authorization to re-enter into Exclusive Negotiations until July 5, 1984 with Fillmore Associates for Parcel 726-A, located on the southwest corner of Fillmore and O'Farrell Streets in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. Exclusive Negotiations were authorized in December of 1983 for Fillmore Associates to develop 120 market rate residential condominiums, 22,000 square feet of ground floor retail commercial space and 164 parking spaces. The three officers of this development are Mr. James San Jule who is the Secretary/Treasurer and the project manager. Mr. San Jule has served as a housing consultant and developer for over 20 years; Mr. Tony Taylor, the President and long time resident of San Francisco and the Western Addition has primary experience in residential rehabilitation and Mr. Robert Davis, the Vice President, has had substantial experience in construction supervision of residential rehabilitation. Because Fillmore Associates did not finalize architectural plans nor their financing and marketing plans by March 14, their Exclusive Negotiations expired. They have now requested a new period of Exclusive Negotiations and have expressed confidence that the required information can be submitted shortly.

Mr. Newman inquired if anyone else is interested in this property and Mr. Hamilton indicated no one else has expressed interest in this property.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 94-84 BE ADOPTED.

- (e) Resolution No. 95-84 requests authorization of a Permit to Enter Agreement with the Juneteenth Festival Committee for the use of a portion of blocks 707, 708, 726 and 750-A in the Fillmore Commercial Center in the Western Addition A-2 for the purpose of conducting the Juneteenth Festival Celebration on June 16 and 17th, 1984.

Mr. Hamilton reported on item (e) as follows. This celebration is held annually in mid-June by Black Americans throughout the country to celebrate the commemoration of the arrival of the news of the Emancipation Proclamation to the mid-west. This is the Fourth annual Juneteenth celebration to be held on Agency-owned land adjacent to Fillmore Street. Activities will commence with a parade and will include historical displays by Afro-American Arts & Crafts Groups, children's games, dance troupes, poets, and notable

NEW BUSINESS (continued)

speakers. Safeway Stores has granted permission for the use of the mall area for the exhibit of the Arts and Crafts and the various types of entertainment to be held along Fillmore Plaza Way. The use of the areas described will not interrupt the schedules of development projects planned for the Fillmore Commercial Center or those currently under construction. Because of the Festival Committee's non-profit status, staff is recommending no rent be charged. Proceeds from donations will be used for the cultural and educational needs to further the advancement of the Black Community in the Western Addition and to pay for expenses incurred by the Juneteenth Festival Committee. Appropriate insurance coverages and security will be provided by the Festival Committee.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 95-84 BE ADOPTED.

- (f) Resolution No. 96-84 requests approval of the Preliminary Official Statement for Mortgage Revenue Bonds and authorizing their distribution.

Mr. Hamilton reported on item (f) as follows. This is in connection with four developments. In the Western Addition A-2, they are Bushmoor Associates for Parcel 677-B, 52 units on the east side of Fillmore between Bush and Sutter; Suttermore Corporation for Parcel 678-C, 84 units on Sutter between Fillmore and Steiner Streets; Kimbal Park for Parcel 707-B, 20 units being developed on O'Farrell between Fillmore and Steiner and in Hunters Point, LaSalle Heights, 90 units on the Parcels S-1 through S-3, bounded by LaSalle, Hudson and Whitney Young Circle. The approximate amount of this bond issue is \$37,000,000. The Agency has sought and received authority from the Board of Supervisors to issue the bonds. The liability of the Agency on bonds is limited to funds available from the financing. At a subsequent meeting the Agency will be asked to adopt a resolution authorizing the bonds to be issued and offering supporting documents.

Mr. Newman inquired if the bonds are for the entire series of developments or for each individual development and Mr. Oster indicated the bonds are for the four developments in the aggregate, so the funds will not be segregated. Mr. Oster also indicated the security and the revenues that will repay the bonds will be in the aggregate which will increase the security by spreading the risk.

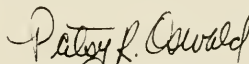
ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 96-84 BE ADOPTED.

Minutes of a Regular Meeting, April 3, 1984

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Newman, and unanimously carried that the meeting be adjourned in memory of Mr. John Rowland. The meeting adjourned at 4:20 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Patsy R. Oswald".

Patsy R. Oswald  
Secretary

APPROVED

April 24, 1984



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2/27/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
27TH DAY OF MARCH, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 27th day of March, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

H. Jesse Arnelle (arrived 4:25)

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were R. Lieberman, Broadmoor Hotel; L. E. Williams, Williams-Keubelbeck & Assoc.; Ocie Rogers, Anthony Morris, Joint Housing Committee; Mary Rogers, Western Addition Project Area Committee (WAPAC); L. Jamerson, Jamerson Contractors; Mr. McCoy, McCoy's Patrol Service; and J. G. Archin and Joean Wright, interested citizens.

UNFINISHED BUSINESS

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that Item (a) would be continued until Mr. Arnelle arrived. There being no objection it was so ordered.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the consideration to sell land and improvements for Parcel Z-12, Hunters Point.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 82-84 requests authorization of a Real Estate Purchase Contract with Emma J. Dickson for Parcel Z-12, 1461 Innes Avenue, Hunters Point.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.



NEW BUSINESS (continued)

- (b) Public Hearing to hear all persons interested in the consideration to sell land and improvements for Parcel Z-15, Hunters Point.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 83-84 requests authorization of a Real Estate Purchase Contract with Joean N. Wright for Parcel Z-15, 1427 Innes Avenue, Hunters Point.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

Mr. Hamilton reported on items (a) and (b) as follows. In December, 1982, authorization was given to construct two demonstration expandable single family homes in the Hunters Point Redevelopment Project Area. Subsequently, in July, 1983, the construction contract was awarded to Combs Construction in the amount of \$79,949 to build the two homes which are expected to be completed on or about the last week of this month or early April. George McLaughlin, Agency staff architect, designed these homes which show great promise in affording opportunities for home ownership to moderate income families. Financing for the homes is being provided by the bond issue approved in December of last year. Imperial Bank who purchased the bonds will originate the loans without fee and Jones Hall Hill & White acted as bond counsel also without fee. The mortgages are for 95 percent of the purchase price of \$55,000 for each home at an interest rate of 11 3/8 percent. A lottery was held October 17, 1983 and Joean N. Wright, a certificate holder, and Emma J. Dickson, a resident of Hunters Point were the selected qualified purchasers. Their financial qualifications and employment verifications have been reviewed by staff and Imperial Bank. HUD approval for mortgage insurance has been issued.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 82-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 83-84 BE ADOPTED.

- (c) Resolution No. 84-84 requests authorization for security services by McCoy's Patrol Service in an amount not to exceed \$1,600 in connection with the two expandable homes in the Hunters Point Project Area.

Mr. Hamilton reported on item (c) as follows. Staff anticipates that the construction of the two expandable homes will be completed soon and are working vigorously with the title company to effect closure of escrow immediately upon issuance of the Certificate of Completion. However, should some unforeseen occurrence create a delay in occupancy, staff would like to be prepared to assign security to the properties. The contractor has already experienced some vandalism and theft at the construction site and there is concern about what could happen in the interval between completion

NEW BUSINESS (continued)

of construction and occupancy by the purchasers. Staff received quotes from three security guard firms operating in the Hunters Point area with McCoy's Patrol Service providing the lowest quote. McCoy's Patrol Service is licensed and hires qualified Hunters Point residents where possible in the execution of their contractual agreements. All their guards are certified by the State of California and they have successfully performed Agency-affiliated work in the past.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 84-84 BE ADOPTED.

- (d) Resolution No. 85-84 requests authorization of a contract with Williams/Kuebelbeck & Associates, Inc., to provide on-going financial and marketing analysis and advisory services regarding the South Beach Small Boat Harbor in an amount not to exceed \$20,000 for the Rincon Point-South Beach Redevelopment Project.

Mr. Hamilton reported on item (d) as follows. In March, 1983, a professional services contract was authorized with Williams/Kuebelbeck & Associates, Inc., in the amount of \$15,000 to conduct a detailed and specialized marketing study for the Harbor. The contract has been completed and the work provided new input data. Inasmuch as the Small Boat Harbor construction is expected to start this Summer, staff will need to start final application for debt financing. Since the financial analysis staff now has our projections, they will need to be updated to reflect current market conditions. Also, immediate referral service of an expert in Marina marketing and financing will be required as staff seeks approval of the project before various forums. The scope of service of this contract with Williams/Kuebelbeck & Associates, Inc., will allow these needs to be met.

Mr. Newman inquired if the Small Boat Harbor would go forward if the site was selected as the stadium site and Mr. Hamilton indicated affirmatively and that in the feasibility and economic analysis of the project, it was discovered that the Small Boat Harbor and Marina would benefit by the stadium, as it would cause a stronger market.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 85-84 BE ADOPTED.

- (e) Resolution No. 86-84 requests authorization of a Third Amendatory Agreement to the Land Disposition Agreement with Irene M. Lieberman for Parcel 689-3 located on the northeast corner of Gough and Post Streets in the Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. An LDA was authorized in December 1982 with Mrs. Lieberman to build a park for use of the elderly residents of the adjacent Broadmoor Hotel. The development was delayed because of problems in securing a building permit which has been issued. The park has been redesigned in conformance with the guidelines of the Bureau of Building Inspection, which required a second means of egress. The Developer is soliciting bids while

NEW BUSINESS (continued)

working to satisfy Agency affirmative action guidelines. An additional 60 days will be needed to complete this work which would extend the conveyance date from March 21, 1984 to May 23, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 86-84 BE ADOPTED.

- (f) Resolution No. 87-84 requests authorization of the marketing program for Parcel 724(C), 1519-1529 O'Farrell Street, the old A-2 Site Office, currently being rehabilitated and converted into six residential condominium units and to establish the sales price of each unit, the marketing program, the expenditure of funds not to exceed \$2,500 for the marketing brochure and newspaper advertising, and the use of the shared appreciation secondary financing that was offered by the Agency to purchasers of the first 31 units under the Affordable Condominium Program in the Western Addition A-2.

Mr. Hamilton reported on item (f) as follows. The inclusion of 1519-1529 O'Farrell Street in the Affordable Condominium Program has been anticipated since the Program's inception in 1982. The Hollis Court Condominium Project subdivision map was prepared and recorded to permit the addition of the six units at 1519-1529 O'Farrell Street as Phase II. Two units at 35-45 Hollis Street presently used by Property Management are Phase III to be offered at a later time. Phase I was conveyed in October 1983. The proposed sales prices certified by the Real Estate and Development Division as the fair reuse values will range from \$165,000 to \$185,000. The financing program will be identical to that offered the first 31 purchasers under the Affordable Condominium Program. A five per cent downpayment would be required and the ability to afford a first mortgage of 25 per cent of the household's gross income plus the taxes and homeowner's dues for a particular unit. The balance of the purchase price beyond the downpayment and first loan, which will again be originated by First Nationwide Savings and sold to the Federal Home Loan Mortgage Corporation will be carried back by the Agency in the form of a shared appreciation second loan. As with the earlier sales, closing costs of Certificate Holders would be paid by the Agency. The marketing program for Hollis Court Phase II has been developed to draw attention to the weekend the six units will be open to the public. A flyer will be mailed to all residential certificate holders as well as anyone else who has requested this information from the Agency. Newspaper advertising will give details of the program, the dates the units will be open for viewing, and the availability of brochures at the open house locations and the Agency office. Following the application deadline, lotteries will be held to prioritize those applicants which have been preliminarily determined by staff to be eligible.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 87-84 BE ADOPTED.

- (g) Resolution No. 88-84 requests authorization of a Second Amendatory Agreement to the LDA with 1325 Divisadero Street, for Parcel 1101-B, located at 1325-1329 Divisadero Street in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (g) as follows. An LDA was approved in June 1983 with the Developer comprised of general partners, Carnelian Capital Fund, Inc., and Arnold Townsend, for the development of a 16-residential unit building with ground floor commercial space. Following completion of rehabilitation, the developer will convey the residential units as condos to low and moderate income individuals and the commercial area to KP00 Radio Station as a permanent facility. Final rehabilitation plans and specifications have been approved and the Contractor's bid has been obtained. Also, a take-out commitment from First Nationwide Savings has been obtained in the amount of \$950,000 under the City's 1982 Single Family Mortgage Bond Program. However, the Developer has not been successful in securing a construction financing commitment and the KP00 Radio Lease-Purchase Agreement, required in the LDA, and was placed in default on March 14, 1984. On March 16, the developer requested an extension to resolve the following issues: 1) The San Francisco Fire Department may require the installation of a wet standpipe for fire protection in the building, which was not anticipated; 2) P.G. & E. has determined that the installation of an underground vault for the electric transformer and the payment of additional maintenance and installation charges for a total cost of approximately \$48,000 will be necessary. The developer is now studying the feasibility of substituting gas ranges and gas heating for the electric units, in order to eliminate the need for a transformer vault, and believes the \$15,000 in his budget would be more than sufficient to offset any increase in the cost of gas installation over the electric installation; and, 3) The LDA requires that the Developer enter into a Lease-Purchase Agreement with KP00 Radio Station prior to conveyance of the Site; however, the Developer's attorney has advised against doing this prior to the issuance of the Preliminary Public Report by the State Department of Real Estate. Therefore, to ensure the occupancy of the commercial area by KP00 after rehabilitation, this Second Amendatory Agreement will also modify the LDA to make the Agency's issuance of the Certificate of Completion contingent upon either the cost-free transfer of the commercial space to KP00 or the execution of a lease-purchase agreement with KP00. To secure its performance of this post-conveyance requirement, the Developer will be required to give a Grant Deed of the property to the Agency. Following compliance with KP00 Radio Station occupancy requirement, the Grant Deed will be returned to the Developer. The Schedule of Performance will extend the date of submission of evidence of financing from February 28 to April 10, 1984, and conveyance of the site from March 27 to May 25, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 88-84 BE ADOPTED.

- (h) Resolution No. 89-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with Alonzo and Rebecca Reece for the Purchase and Rehabilitation of Parcel 1127-K, 1909-1911 Ellis Street in the Western Addition A-2.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (h) as follows. An LDA was approved in September, 1983, with the Reeces for the purchase and rehabilitation of a two-unit Victorian. Staff has approved the final rehabilitation plans and specifications, and a contractor's bid for the rehabilitation work has been obtained. However, efforts to obtain the required evidence of financing within the specified time period have not been successful and the Reeces were placed in default. The Reeces are currently working with Eureka Federal Savings who has indicated to staff that favorable action appears likely. However, additional time is needed for obtaining an appraisal of the after rehab value of the property based on the approved plans for the rehabilitation. This will determine a loan-to-value ratio of the property. Staff believes that the Reeces have made every effort to comply with the terms of the LDA in a timely fashion. The Schedule of Performance will extend the dates for Submission of Evidence of Financing from February 14, 1984 to April 24, 1984, and Conveyance of the Site from May 27, 1984 to June 26, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 89-84 BE ADOPTED.

- (i) Resolution No. 90-84 requests authorization for David Stoloff, Senior Development Specialist, to travel to Los Angeles, California to attend a Workshop on Negotiating Development Deals, April 11 through April 13, 1984, at a cost not to exceed \$750.

Mr. Hamilton reported on item (i) as follows. A workshop sponsored by the American Planning Association will focus on the elements of negotiating with developers for commercial, retail and mixed-use projects, including finance and feasibility analysis and case studies of major projects with leading developers. Mr. Stoloff has the responsibility of preparing a management plan for the South Beach Small Boat Harbor, and plans to make site visits to several major small boat harbors in the Los Angeles area that could provide management models. The Workshop is directly relevant to Mr. Stoloff's Agency responsibilities and would enable him to improve his skills as well as make contacts with professional counterparts from other public agencies.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 90-84 BE ADOPTED.

Mr. Arnette arrived at this time, 4:25 p.m.

President Lee indicated that item (a) under Unfinished Business would now be taken up.

UNFINISHED BUSINESS

- (a) Resolution No. 79-84 requests authorization of a Third Amendatory Agreement for Legal Services with the law firm of Steefel, Levitt & Weiss, in the amount of \$100,000 for the Yerba Buena Center.



UNFINISHED BUSINESS (continued)

Mr. Hamilton reported on item (a) as follows. This contract is for services in connection with ongoing negotiations and drafting of documents with respect to the Central Blocks development proposal.

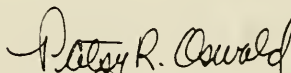
A discussion occurred between Commissioners and Staff regarding the legal services contract with Steefel, Levitt & Weiss for the Yerba Buena Center. A recording of that discussion is on file with the Agency Secretary.

MOTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 79-84 BE ADOPTED, BUT THAT THIS IS THE FINAL AGREEMENT THAT THE REDEVELOPMENT AGENCY SHOULD ENTER INTO WITH THIS FIRM UNTIL AND/OR UNLESS THEIR AFFIRMATIVE ACTION POLICY SQUARES WITH THE PRINCIPLES THAT THIS AGENCY STANDS FOR IN ITS USE OF PUBLIC FUNDS WHEN TAKING INTO CONSIDERATION THE KNOWN DEMOGRAPHICS AND REALITIES OF THE MINORITY LEGAL TALENT IN THE BAY AREA.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned to a closed session on litigation. The meeting adjourned at 5:00 p.m.

Respectfully submitted,



Patsy R. Oswald  
Secretary

APPROVED

May 1, 1984



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3/20/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
20TH DAY OF MARCH 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 20th day of March, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnelle  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Anthony Morris, Joint Housing Committee; J. David Hertler, Urban Land Company; Curtis Franklin, Franklin's Carpets; Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); Noni Richen, Beideman Area Neighborhood Group; and Eileen Henriques, Janet Roche, Daniel Solomon, Stephen Byers and Cathy Groody, interested citizens.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of March 6, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matter:

- (a) Walgreen's, located in the Yerba Buena West Building, will officially open with a ribbon-cutting ceremony on March 21 at 8 a.m. Staff has informed the managers of Senior housing developments in the area so they can tell their tenants about the event.

NEW BUSINESS

- (a) Resolution No. 71-84 requests authorization of a First Amendatory Agreement to the Addendum with Nihonmachi Development Corporation in connection with the development by Masao Ashizawa for Parcel 676-A located on the southwest corner of Bush and Buchanan Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. In March, 1983, an addendum was authorized with Masao and Agnes Ashizawa for the development of a four story building containing 18 market-rate condominium units ranging in price from \$110,000 to \$150,000. Because this is a market-rate condominium development, the Agency's 20% profit limitation has been placed on it. Initially, Mr. Ashizawa wanted to negotiate the construction contract, but the negotiations were not successfully concluded. He now desires to bid the project and requests additional time to do this. This amendatory would extend the conveyance date from March 21 to June 17, 1984.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 71-84 BE ADOPTED.

- (b) Resolution No. 72-84 requests authorization of a Third Amendatory Agreement to the Addendum with the Nihonmachi Community Development Corporation as Transferred and Assigned to the Urban Land Company for Parcel 686-H(2) located on the south side of Sutter Street between Buchanan and Laguna Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. Parcel 686-H was one of the sites in the Nihonmachi Master Plan designated for common commercial parking to afford each developer the opportunity to have the maximum amount of commercial space on individual commercial lots. However, because some developers opted to accommodate parking on their individual lots, the number of spaces required in this common parking lot was substantially reduced which resulted in an excess amount of land area in the proposed parking lot. The Nihonmachi Corporation, with Agency Commission approval, then decided to change the use of a portion of the lot to residential and Parcel 686-H(2) was created and allocated to the Urban Land Company for construction of five units of housing. In connection with the proposed development of Parcel 686-H as a parking lot, eight abutting property owners were granted easements for ingress and egress which cover the entire lot including the newly created Parcel 686-H(2). In order to construct housing on the new site these easements must be removed. The process of removing the easements from the record has taken longer than anticipated. Releases must be obtained not only from the owners of the easements but also any lenders with liens on the eight abutting properties. Quitclaim deeds have been obtained from all eight abutting property owners but are still awaiting responses from the lending institutions. One of the easement owners also has a SBA loan that requires SBA sign off and this has further complicated the easement removal process.

NEW BUSINESS (continued)

Staff is confident that the easements can be removed within two months. The requested extension will extend the conveyance date from March 21 to May 16, 1984.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 72-84 BE ADOPTED.

- (c) Resolution No. 73-84 requests authorization of Exclusive Negotiations for 90 days with Janet Roche, Daniel Solomon and Allan Cadgene for development of Parcel 1100-D(1) located on the east side of Beideman Place between Ellis and O'Farrell Streets in the Western Addition A-2.

Mr. Hamilton reported on item (c) as follows. In February, 1980, the Commission authorized Exclusive Negotiations with Oscar Jackson and Jonathan Bulkley who were unable to go forward with their development. The Commission approved the termination of their LDA in April, 1982. In November, 1983, staff received a letter of interest from Janet Roche, Daniel Solomon and Allan Cadgene who propose to build 17 residential units with eight of the units market-rate condominiums and nine units will be rental units. The Developers intend to use the City's Multi-Family Bond Program to finance the rental portion of the development. The joint venture members have evidenced substantial experience in developments of this magnitude. The schematic drawings have been reviewed and conditionally approved by Agency staff. Presentations have been made to WAPAC and to the Beideman Area Neighborhood Group, and both support the proposed development.

Ms. Noni Richen, Chairman, Beideman Area Neighborhood Group (BANG) read a letter from Ms. Karen Cancino, a neighbor at 1927 Ellis Street, who generally support the development, but noted several changes she would like made. Ms. Richen expressed BANG's support of the development, but indicated concern that the density of the building was too high.

Mr. Newman inquired if the Beideman group had reviewed the architectural drawings and if they had any suggestions or did they accept it as it has been designed and Ms. Richen indicated generally they trusted Mr. Solomon, the architect.

Mr. Hamilton inquired if the point of view expressed in the letter read by Ms. Richen was also the viewpoint of the Beideman group and Ms. Richen indicated it was the viewpoint of the individual.

Ms. Eileen Henriques, BANG, indicated her support of the development.

Mr. Jim Finigan, a neighbor, indicated he had seen the plans and liked the design, however, the area has a parking problem and there is not enough parking for guests or other people and he also believed the lot was too small to accommodate the proposed development.



NEW BUSINESS (continued)

Mr. Newman inquired if the development met the City Planning Code and Mr. Hamilton indicated affirmatively. Mr. Newman inquired what the landscape plan is for the front of the building and Mr. Dan Soloman, architect, indicated they would work with the neighbors on Beideman to provide street trees on both sides of the alley, as well as vine pockets at the base of the building.

Mr. King indicated that, though he had no monetary interest and will not gain anything from the development, he would abstain from voting on this matter because one of the developers is a relative.

Ms. Berk inquired what the developer's experience in development was and Mr. Soloman indicated that he has done several projects in San Francisco as a joint venture - Pacific Heights Townhouses at Sacramento & Lyon Streets, Glover Street Condominiums on Russian Hill, Midway Terrace Condominiums in North Beach, Bandwater Condominiums in North Beach and Mr. Cadgene is the principal of General Atlantic Development Corp., which is the designated developer for 1,000 units in the South Beach Redevelopment Area.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 73-84 BE ADOPTED.

- (d) Resolution No. 74-84 requests authorization of Exclusive Negotiations until May 22, 1984 with Stephen F. Byers and Cathy Groody for purchase and rehabilitation of Parcel 728-K, 1335 Pierce Street in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. In January, 1984, Exclusive Negotiations were authorized with Otto and Kenneth Albright. However, they have since contacted the Agency stating that are unable to fulfill the requirements for the development of 1335 Pierce Street at this time. The Albrights have submitted a formal request withdrawing their interest in the site. Staff then reviewed and evaluated the next highest response from Stephen F. Byers and Cathy Groody whose response, under Preference Category II - Non Certificate Holders indicated evidence of their financial capacity to undertake the project. Mr. Byers has had approximately ten years experience in the building industry as a brick mason. The Byers/Groody proposal is to purchase and rehabilitate the building as an owner-occupied dwelling.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 74-84 BE ADOPTED.

- (e) Resolution No. 75-84 requests authorization to expend up to \$10,947 for costs of certain needed renovation work at the Central Office.

Mr. Hamilton reported on item (e) as follows. In September, 1982, \$12,000 was authorized for carpeting costs directly associated with the consolidation of staff within the Agency's Central Office. This encompassed work on the 2nd floor and other areas where remodeling

NEW BUSINESS (continued)

was necessary to accommodate consolidation of offices. It is highly desirable at this time and in some cases necessary for safety that worn carpets and padding be replaced and vinyl tile installed in areas occupied mostly by the Agency's Legal, Community Services and Finance and Administration Divisions. Three proposals were received with Franklin's Carpets the lowest bidder at \$10,947.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 75-84 BE ADOPTED.

- (f) Resolution No. 76-84 requests authorization to expend an amount not to exceed \$10,300 for the purpose of improving the workspace of the employees in the Fiscal Division.

Mr. Hamilton reported on item (f) as follows. The current workspace is not only unsightly and not conducive to productivity, it is also, in places, dangerous with raised electrical receptacles and wires which are visible and potential hazards. Workspaces are cramped, disorganized, and in no configuration to promote easy movement through the area. Privacy is not afforded any of the employees and the noise level is often distracting. The partitions will be supplied by Western Contract Furnishers at a cost of \$6,994 which includes a 40% discount, delivered and installed. Electrical wiring will be installed by Rockridge Electric Company, the lowest of four estimates received at a cost of \$2,300. The only other cost, that of telephone wiring, is estimated at \$1,000 at the maximum, including any materials.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 76-84 BE ADOPTED.

- (g) Resolution No. 77-84 requests authorization for Mr. Redmond F. Kernan, Senior Deputy Executive Director to attend the spring Urban Land Institute (ULI) conference in San Antonio, Texas from April 30 through May 2, 1984.

Mr. Hamilton reported on item (g) as follows. The primary membership of the ULI is made up of those involved in the real estate and development field as well as professionals in related activities. The organization conducts two major meetings each year and features thoroughly researched presentations of development cases which illustrate various aspects of land use, planning, financing, and development implementation. In addition to being a regular ULI member, Mr. Kernan is an executive group member of the ULI's Development Systems and Services Council which will convene on Sunday, April 29, 1984, one day prior to the conference. The council meeting will feature matters of vital concern to Mr. Kernan in his capacity as Senior Deputy Executive Director and to the Agency. It should be noted that negotiations with Olympia & York regarding Yerba Buena Center do make demands on Mr. Kernan's time, therefore, his attendance will depend upon the status of these negotiations.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 77-84 BE ADOPTED.

- (h) Resolution No. 78-84 requests authorization for Mr. James Wilson, Project Director, Hunters Point/India Basin, Mr. Frank Cannizzaro, Project Director, Rincon Point-South Beach, and Mrs. Lee Cayton, Supervisor, Housing Management, to attend a three-day NAHRO Housing and Community Development Workshop being held at the Meridien Hotel in San Francisco March 25 through March 27, 1984.

Mr. Hamilton reported on item (h) as follows. The aim of this Workshop is to give practitioners in the community development and housing field specific, step-by-step guidance on how to improve operational efficiency and make programs work more effectively, focusing primarily on a detailed analysis of the new rental rehabilitation grants and rental housing development grants program, the new voucher demonstration program, new CDBG regulations, the new emergency shelter program, state enterprise zone programs, and the impact of potential changes in the tax code on financing housing and development. The cost to the Agency will be for the registration fees only, which will total \$585.00.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 78-84 BE ADOPTED.

- (i) Resolution No. 79-84 requests authorization of a Third Amendatory Agreement for Legal Services with the law firm of Steefel, Levitt & Weiss in the amount of \$100,000 for the Yerba Buena Center Approved Redevelopment Project Area.

Mr. Hamilton reported on item (i) as follows. The Steefel law firm together with two minority law firms has been assisting the Agency under this contract in ongoing negotiations and document preparation for Yerba Buena Center since June of 1983. Since document preparation is now at a peak and contract funds have been nearly expended, staff desires to amend this contract by an additional \$100,000, which will result in a new total maximum contract amount of \$350,000. The Steefel, Levitt & Weiss firm has been using a work-sharing approach, utilizing two minority law firms, Millner & McGee and Lee & Hui, with the expectation that this approach sufficiently addressed Affirmative Action issues. However, discussion by Commissioners during the last contract extension indicated that they expected the Steefel, Levitt & Weiss firm to improve its affirmative action performance in spite of the work-sharing approach. The firm has further addressed those concerns and provided verbal assurance to staff regarding their efforts. Staff has requested that they provide written representation, which was forwarded to the Commissioners Friday night. Staff urgently recommends approval of this contract amendment, since the services must be continued to bring the negotiations and documents to conclusion in a timely manner, and because staff believes that the Steefel, Levitt & Weiss firm is making a good faith effort to address the Commission's concerns.

NEW BUSINESS (continued)

A discussion occurred between the Commissioners, Staff and Mr. Leonard Weiss regarding the legal services contract with Steefel, Levitt & Weiss for the Yerba Buena Center. A recording of that discussion is on file with the Agency Secretary.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that Item (i) would be continued for one week at the request of Mr. Arnelle. There being no objection it was so ordered.

MOTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE AND UNANIMOUSLY CARRIED THAT PAYMENTS DUE TO DATE TO THE STEEFEL, LEVITT & WEISS FIRM BE AUTHORIZED, PLUS AUTHORIZATION OF SUFFICIENT FUNDS TO CONTINUE WORK FOR ONE MORE WEEK.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 80-84 requests authorization of a First Amendment for Legal Services with the law firm of Harris, Alexander, Burris & Culver to include all Approved Redevelopment Project Areas.

Mr. Leo Borregard, Agency General Counsel, indicated that staff member Mr. Anthony Ching has left the Agency in the Legal Department and Mr. Taylor Culver of Harris, Alexander, Burris & Culver has undertaken several pending litigation cases until the Legal Department establishes a permanent position. This contract does not change the contract amount, it just enables Mr. Taylor to undertake that representation.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 80-84 BE ADOPTED.

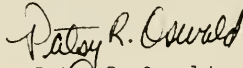
- (b) Resolution No. 81-84 requests ratification of Mr. Wilbur W. Hamilton's travel to Chicago on March 12 to meet with Mayor Feinstein and representatives of Olympia and York. This meeting was in connection with the ongoing Olympia and York negotiations. Cost did not exceed \$850.00.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 81-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:20 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED  
April 17, 1984





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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
13TH DAY OF MARCH, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 13th day of March, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnelle  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

none

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The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Joe Turner, Curtis Jones, Felix Maestas, Sylvester Brown, Nidi Bartolo, Albert Jennings, Cleo Davis, Liberation House; Ocie Mae Rogers, Joint Housing Committee; Mary Rogers, Pleasant Carson, Western Addition Project Area Committee (WAPAC); Paul Zaofen, Dennis Chung, Campeau Corporation; Grant DeHart, Heritage Foundation; John Igoe, Lincoln Properties; and Mervyn J. Goodman, Morris Bernstein and Donald Sweet, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of February 14, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. King, seconded by Mr. Arnelle, and unanimously carried that the minutes of the regular meeting of February 28, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) Congratulations to Commissioner Mardikian who was confirmed by the Board of Supervisors yesterday for reappointment to the Redevelopment Agency Commission. He is expected to be sworn in soon.

REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (b) Dedication ceremonies for the Alice Street Community Gardens in Yerba Buena Center will be conducted on the First Day of Spring (Wednesday, March 21st) from 2 to 4 p.m. This garden is the replacement in Yerba Buena Center for the former Clementina Gardens now the site of a new senior housing development. The location is on Harrison between Third and Fourth Streets and all are invited to participate.

REPORT OF KEY STAFF MEMBERS

- (a) Mr. Edmund Ong, Chief of Architecture, presented staff's critique on the final design for the St. Francis Place Project (Taysan/Lincoln) in Yerba Buena Center.

President Lee inquired if there would be any blockages from the existing signs in the Chevron Station on the corner of Harrison and Third and Mr. Ong indicated that the property is under an Owner Participation Agreement and based on that Agreement they developed a new station and his recollection is that the signing for that station is very low, basically mounted on concrete pedestals about six or seven feet tall. There are no vertical signs in that station that would have any impact on views from the residential units.

Mr. Newman inquired what type of tenant amenities are there and Mr. John Igoe, Lincoln Properties, indicated recreational facilities will consist of a club room, an exercise area and an outdoor swimming pool.

President Lee inquired if there will be public participation on the steps where the waterfall is located and Mr. Igoe indicated the area where the steps are located is like a receding level, which he believes will encourage use anytime during the day as that area has southern exposure. President Lee inquired what the widest angle by footage is from the beginning to the end of the steps on the property line and Mr. Igoe indicated about 35 feet. President Lee indicated he assumes Mr. Igoe has seen the architectural concerns and recommendations and Mr. Igoe indicated they have been working with architectural staff for the past several months in resolving the design items and indicated the model reflects all of the items that were brought up in April, 1983 which have been resolved except for the matter of the correction of the street, sidewalk situation that must be done to meet the City codes. But all the other items have been worked through with staff.

Mr. Hamilton noted there was no action to be taken and staff would continue to pursue the matter with the developer in order to achieve the best possible design for the site.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the Deed for Conveyance of Common Areas for Parcels S-1, S-2, S-3, S-4 and S-5; Hunters Point.

NEW BUSINESS (continued)

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 65-84 requests authorization to Convey certain Improved Common Areas to The New Hunters Point Homeowners Association, a California nonprofit corporation (to be formed), in connection with parcel S-1 through S-5 bounded by LaSalle Avenue, Cashmere Street, Hudson Avenue and Whitney Young Circle in Hunters Point.

Mr. Hamilton reported on item (a) as follows. The Agency, under various Site Improvement Contracts, improved certain Common Areas within Phase III of Hunters Point, which were completed in August, 1983. The improvements consisted of lawns, shrubs, trees, ground cover, landscaping rock, fences, benches, walkways, stairways, lights, retaining walls (wood and concrete) and irrigation systems. The improvements have been maintained at the Agency's expense, pending assumption of such maintenance by a homeowners association to be formed. Land Disposition Agreements entered into or to be entered into with developers will require that they become members of the proposed homeowners association. The proposed homeowners association will be called The New Hunters Point Homeowners Association, a California nonprofit corporation. In February, 1984 authorization was given to form the Homeowners Association, approved the Articles of Incorporation and Bylaws of the Association and authorized the Declaration of Covenants, Conditions and Restrictions ("CC&R's"). The Common Areas will be conveyed by the Agency to the Association following its incorporation and the Agency's execution and recordation of the CC&R's. Thereafter, each developer and all subsequent purchasers of development lots within Sites S-1 through S-5 will become voting members of the Association. Each member, initially including the Agency, will be subject to regular and special assessments for maintenance of the Common Areas and each member's lot will be subject to the terms and conditions of the CC&R's. The Common Areas, when conveyed to the Homeowners Association, will be conveyed without charge to the Association.

There being no persons wishing to appear regarding this matter the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 65-84 BE ADOPTED.

- (b) and (c) (b) Resolution No. 66-84 requests authorization of a Sixth Amendatory Agreement with SOCA Development for Lot 5, and (c) Resolution No. 67-84 requests authorization of a Seventh Amendatory Agreement with Sherman and Earline Hill for Lot 8, both developments within Site S-4 located off Whitney Young Circle on Carpenter Court in Hunters Point.

Mr. Hamilton reported on items (b) and (c) as follows. LDA's were authorized with these two developers for development of single-family homes. The developers were selected from an Agency

NEW BUSINESS (continued)

offering which was offered exclusively to Hunters Point Certificate holders and to the residents of the Bayview area. The pre-conveyance process continues to take longer than anticipated but is nearing conclusion. Staff has examined each developer's status on a case-by-case basis and propose extensions from March 14 to June 10, 1984 for SOCA Development and Sherman and Earline Hill.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 66-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 67-84 BE ADOPTED.

- (c) Resolution No. 68-84 requests authorization of a Third Amendatory Agreement with Liberation House, a California non-profit corporation for Parcel 683-F, 1724-1728 Steiner Street, located on the east side of Steiner between Sutter and Post Streets in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. An LDA was authorized in June, 1983 for the purchase and rehabilitation of the subject building as a social rehabilitation residential facility, which provides alcohol recovery and rehabilitation programs for the residents of the Western Addition and surrounding areas of the City. In January, 1984, a Second Amendatory Agreement was approved and on February, 1984 an amendment extended the date for Conveyance of the Site until March 15, 1984 to allow the Developer's contractor to secure the required performance bonds. The Developer has met all the other pre-conveyance requirements. The Developer's contractor, H & C Construction Co., has been unable to secure the bonds through the normal underwriters and has been advised by his bonding agent to submit an application to the Small Business Administration (SBA), which they are presently pursuing. The approval process will take at least two weeks and the bonds will not be available prior to the scheduled conveyance of the site March 15, 1984. A 60-day extension is requested to allow the Developer time to secure the bonds through the SBA, and, failing that, hire a new contractor who is able to provide the necessary bonds. The requested extension will therefore change the conveyance date to May 15, 1984.

Mr. Sylvester Brown, Liberation House Board of Directors, indicated his support of this item and urged Commission approval. In reply to President Lee's inquiry, Mr. Brown indicated they have two back-up contractors in case H & C Construction cannot get bonded.

Mr. Newman inquired what the total amount of the required bond is and Mr. Demetrio Salvador, Chief of Engineering and Rehabilitation, indicated approximately \$74,000.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 68-84 BE ADOPTED.



NEW BUSINESS (continued)

- (e) Resolution No. 69-84 requests authorization of Exclusive Negotiations for 90 days with United Bank, F.B.S., Morris Bernstein and Donald Sweet, (UBBS), a joint venture for Parcel 714-A(2) located on the northwest corner of Myrtle Street and Van Ness Avenue in the Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. At the meeting of January 31 exclusive negotiations were calendared with United Bank, Morris Bernstein and Donald Sweet who were one of five developers submitting proposals for Offering No. 23. The matter was continued to permit staff to consider the need for housing on Van Ness Avenue and the City guidelines for development of Van Ness Avenue. As the offering did not have a preference for housing, rather than grant such a preference, it was recommended that all proposals be rejected. The Sprincin Partnership which had submitted a mixed-use proposal consisting of 6,000 square feet of retail commercial and 24,000 square feet of office space, plus 30 market rate condominiums of 1,000 square feet per unit met with UBBS and reached an independent agreement that resulted in UBBS purchasing the Sprincin plans. UBBS then proposed this mixed-use development to the Agency and requested entering into Exclusive Negotiations. Staff in considering this new proposal finds it satisfies the Agency's concerns and those of City Planning regarding development of the site in a way consistent with Van Ness Avenue. Entering into exclusive negotiations with UBBS would also avoid the time consuming process of a reoffering, which would take at least four months, as well as an additional \$4,000. It is also very significant to note that this was the only developer of the five to have a Certificate of Preference, in fact, the developers have two certificates. They have demonstrated now as before the financial strength to go forward with the proposed development.

Mr. Mervyn Goodman requested that the Commission ask for a status report from legal counsel on the Goodman suit against the Agency and President Lee indicated the Commission will obtain a report from Agency counsel.

Ms. Mary Rogers, WAPAC, expressed concern about whether or not the other developers were aware they could negotiate with the Agency on this property and Mr. Hamilton indicated they had the same opportunity, but did not come forward.

Mr. Pleasant Carson, WAPAC, indicated WAPAC supports staff's recommendation.

Mr. John Russell, Russell Companies, indicated that when his proposal was rejected, along with all the others, he asked what the logic was of turning down two housing proposals, if indeed housing was the preference. Mr. Russell indicated that the answer given by Mr. Hamilton was that it was not deemed to be fair to the other developers who had proposed office buildings; however, four weeks later one of those developers is to be given the property and Mr. Russell inquired where the fairness is today with respect to the



NEW BUSINESS (continued)

other developers. Mr. Russell also indicated he was not aware this was open to direct negotiation. Mr. Hamilton indicated the rejection of the proposals was not simply for reasons of fairness, but also a question of dealing properly under the law. Staff could not recommend to the Commission that it use a criteria that had not been set forth in the offering. But once the proposals were rejected, as counsel will confirm, the Commission is free to deal with any of the proposals that came before them without that restriction. To have done it before the rejection could have subjected the Commission to a legal challenge. Mr. David Oster, Assistant Agency Counsel, indicated Mr. Hamilton's statement is correct.

President Lee inquired when construction would begin and Mr. Morris Bernstein indicated as soon as the plans are approved.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 69-84 BE ADOPTED.

Mr. Hamilton requested that a matter not appearing on the agenda be taken up at this time, before the workshop, item (f).

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 70-84 requests authorization to amend the Conveyance date in the LDA with Dennis, Dolores, Dennis Jr., and Matthew Carlin for Parcel 674-C(1) located on the east side of Laguna between Bush and Sutter in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. An LDA was authorized in October 1983 for the development of three flats for rent. The development has proceeded on schedule and the developer had anticipated conveyance on March 7. However, conveyance has been delayed because the developer has not met all of the Agency's affirmative action requirements. Information submitted was insufficient and the developer is now compiling additional data which staff believes will be satisfactory. A 30-day extension of the conveyance date is therefore requested to allow sufficient time to complete this process.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 70-84 BE ADOPTED.

President Lee announced that the meeting would be recessed to a Closed Session on litigation. At the conclusion of the Closed Session the regular meeting would reconvene in the fourth floor conference room for item 9(f), a Workshop on the Rincon Point-South Beach Project. The meeting recessed to a Closed Session at 5:00 p.m.

The Workshop session began at 5:25 p.m., however, there was not a quorum present as Ms. Berk, Mr. Mardikian and Mr. Newman were unable to remain. President Lee, Mr. King and Mr. Arnelle remained for the workshop.

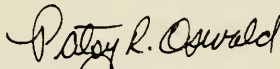
NEW BUSINESS (continued)

- (f) The purpose of this workshop was to present Campeau Corporation's proposal for development of Site I, which is in the block surrounded by First, Brannan, Colin P. Kelly, Jr. and Townsend Streets in the Rincon Point-South Beach Redevelopment Project.

Since the conditional acceptance on August 16, 1983 of Campeau's pre-preliminary development proposal, staff has been working with them to resolve those conditions imposed and to arrive at satisfactory terms for an Owner Participation Agreement, which staff hopes to have on the Agenda for next week's meeting March 20. Campeau staff was present to respond to any questions and Mr. Frank Cannizzaro, Project Director for Rincon Point-South Beach presented the key issues and terms of the proposed OPA.

The meeting ended at 6:00 p.m.

Respectfully submitted,



Patcy R. Oswald  
Secretary

APPROVED

April 3, 1984



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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
6TH DAY OF MARCH, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 6th day of March, 1984, the place and date duly established for the holding of such meeting.

The Acting President called the meeting to order and on roll call the following answered present:

Leroy King, Vice President  
Charlotte Berk  
Anne Halsted  
Haig G. Mardikian  
Walter S. Newman

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and the following was absent:

Melvin D. Lee, President  
H. Jesse Arnelle (arrived at 4:30 p.m.)

The Acting President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); Ray Teketa, Dinkelspiel, Donovan & Reder; John Buss, Embarcadero South Investors; and Richard Marx, Bob Mojica and Ruth Asawa, interested citizens.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Ms. Halsted, and unanimously carried that the minutes of the regular meeting of February 7, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) Mr. Mardikian's confirmation at the Board of Supervisors yesterday was continued for one week while the City Attorney determines if there is a conflict of interest in his serving on both the Redevelopment Agency Commission and his newest appointment to the Governor's Little Hoover Commission.

REPORT OF THE ACTING PRESIDENT

- (a) Acting President King noted that this was Ms. Anne Halsted's last Redevelopment Agency Commission meeting, as she had been appointed

REPORT OF THE ACTING PRESIDENT (continued)

to the Port Commission by Mayor Feinstein and would be sworn in this Thursday. He wished her well and indicated that this Commission would miss her. Commissioners Berk, Newman and Mardikian echoed Acting President King's comments and wished her well. Ms. Berk noted that Ms. Halsted would be the first woman serving on the Port Commission. Ms. Halsted indicated she appreciated the Commission's support and would miss the Agency.

NEW BUSINESS

Public Hearing to hear all persons interested in two minor variances for Block 3715, Lots 8 and 12 (Site A); Rincon Point-South Beach.

(a) and (b) (a) Resolution No. 60-84 requests granting two minor variances conditioned on the actual construction of the improvements. (b) Resolution No. 61-84 requests approval of an Owner Participation Agreement and Design Development Drawings conditioned on a section being added in 60 days to the Agreement that will contain provisions for identification of and response to findings of historic and/or archaeological significance which may occur during construction of the development with Embarcadero South Investors for Parcel 3715, Lots 8 and 12 (Site A) on the northerly side of Howard between Stuart and the Embarcadero in the Rincon Point-South Beach.

Mr. Hamilton reported on items (a) and (b) as follows. Since approval of a Pre-Preliminary Development Proposal in November, 1983, the principals of Bunje Dowse Co. have formed a limited partnership with Johnson Wax Development Co. and are now called Embarcadero South Investors. The development will consist of an eight story commercial building, a below grade parking level and a pedestrian plaza on a State-owned adjacent parcel along the Embarcadero side of the building, which is now leased by the Port, and the Port has agreed to sub-lease it to the developer. In response to concerns expressed at the Pre-Preliminary proposal presentation, the developers have included a more desirable location of the mechanical penthouses, selected exterior finish materials and colors compatible with the adjacent YMCA building and redesigned the first two floors to strengthen its expression at the building base, and integrated the entry into that form. The design as prepared by the Architect, Mr. Edward Tower, would require variances for the bulk and the mechanical penthouses. The design has been prepared in response to a recognized irregularly shaped parcel with unusual site conditions and, in fact, this design reduces the perceived as well as actual building bulk from street level and provides a good transition from Howard Street to the taller YMCA building to the north. The stepped back design, which produces a desirable building appearance also reduces the size of the permitted penthouses and the variance would allow slightly larger penthouses. City Planning staff has reviewed and supports the design and minor variances. They have requested refinements in certain facade details. The developer has agreed to address them during the next phase of design. Also, the Citizens Advisory Committee has reviewed and



NEW BUSINESS (continued)

supports the proposal. After analyzing the economics of the development and the owners' ability to carry out the program, staff finds the project feasible and has received satisfactory evidence of financing. The developer has elected to fast track this project and hopes to initiate construction activities on April 2, 1984.

Mr. Richard Marx, attorney representing Kimbo Color Laboratories, Inc., protested the eviction of Kimbo, a long time tenant of the building, until they can complete the renovations of the building they have purchased. Mr. Marx also indicated his client would qualify for relocation benefits.

There being no further persons wishing to appear in connection with this matter, the Acting President declared the public hearing closed.

Ms. Berk inquired if staff was aware of the relocation problem and Mr. Hamilton indicated affirmatively and would have Mr. Mark Doane, Agency Attorney, report on the problem. Mr. Doane indicated it was determined early on that the tenant of this building is not eligible for relocation assistance or benefits under either the Federal or State Relocation Acts. They were so notified of this determination and the fact they would be required to move.

Mr. Newman inquired if the tenant has a lease and Mr. Doane indicated the tenant has been on a 30-day, month-to-month lease for the past six years.

Mr. John Buss, Embarcadero South Investors, indicated they have modified their plans regarding the demolition of the building and it would be delayed for 30 days. He also indicated they have reached an agreement with the tenant at 3:00 this afternoon and have given them a 30-day extension. The tenant has agreed to increase the amount of money he is paying his contractor in order to complete the renovation of his building at an earlier time. Mr. Buss also indicated that Embarcadero South Investors' contractor will be assisting Kimbo's contractor and they will be working around the site so that Kimbo's business will not be interrupted.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 60-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 61-84 BE ADOPTED.

- (c) Resolution No. 62-84 requests authorization of a First Amendatory Agreement to the LDA for Rehabilitation with the James Company Limited Partnership, a California limited partnership, for Parcel 755-B, 1300 Golden Gate Avenue/1101-1123 Fillmore Street located on the northwest corner of Fillmore and Golden Gate Avenue, in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. In October, 1983, an LDA was authorized with the James Company for the purchase and rehabilitation of 31 residential rental units with ground floor commercial space. Ms. Mary James, a general partner of the Developer, is the current and longstanding business tenant of the building. The Developer had provided the Agency with a feasibility letter from HUD regarding the issuance of FHA mortgage insurance under HUD Section 221(d)(4), but a commitment from a lender to finance the project was not met within the time allowed and the Developer was placed in default in January, 1984. The Developer initiated efforts to obtain FHA insurance to facilitate their ability to finance the project, however, they conclude the requirements imposed by FHA outweigh the benefits. Unfortunately, by pursuing this course of action, a considerable loss of time resulted which would have been more profitably spent seeking conventional financing. However, complete loan packages have been submitted to several local lenders for processing, and responses have been encouraging. Diligent efforts are being made by the Developer in attempting to obtain FHA mortgage insurance, and staff remains supportive of the James Company as a developer and continues to be of the opinion that their financial strength and the quality of the project itself will support the financing commitment being sought. The Schedule of Performance will extend the date of submission of Evidence of Financing from January 3, 1984 to April 25, 1984 and Conveyance of the Site from February 14, 1984 to June 15, 1984.

Mr. Arnelle arrived at this time, 4:30 p.m.

ADOPTION: IT WAS MOVED BY MS. HALSTED, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 62-84 BE ADOPTED.

- (d) Resolution No. 63-84 requests authorization of a Third Amendatory Agreement to the LDA for Rehabilitation with James J. Doherty for the Parcel located at 1329 Pierce Street in the Western Addition A-2.

Mr. Hamilton reported on Item (d) as follows. In May, 1983, Mr. Doherty entered into an LDA for the purchase and rehabilitation of a seven unit residential building comprised of six one-bedroom and one two-bedroom units. Following completion of the rehabilitation work, the Developer will convey the units as condominiums to low and moderate income individuals and families with preference given to the Agency's Certificate of Preference Holders. In February of this year, a Second Amendatory Agreement was authorized allowing the Developer time for the building permit to be issued and to satisfy the City's requirement that the Developer provide a guarantee for the subdivision improvements prior to recording the subdivision map. While Mr. Doherty has satisfied the subdivision map requirement, additional time is still required to secure the building permit. The Bureau of Building Inspection and the San Francisco Fire Department have requested additions to the fire protection system and noted them on the building permit.

NEW BUSINESS (continued)

The Developer's contractor disagrees with certain of the additions, and plans to appeal to the Board of Permit Appeals. The extension will allow the contractor time to pursue this matter to resolution. The Schedule of Performance will extend the date for Conveyance of Site from March 8, 1984 to April 24, 1984.

Ms. Mary Rogers, WAPAC, inquired what specifically is going to be appealed before the Board of Permit Appeals and when would the hearing be and Mr. Bob Mojica, contractor for Mr. Doherty, indicated the appeal will be to remove the requirement for wet and dry sandpipe, as the building will be sprinklered. Only the Board of Permit Appeals can remove the requirement and the hearing will take place on Tuesday, March 13, 1984, at 5:30 p.m.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 63-84 BE ADOPTED.

- (e) Resolution No. 64-84 requests authorization of a Fifth Amendment to the Legal Services Agreement with the law offices of Dinkelspiel, Donovan & Reder in an amount not to exceed \$75,000 for All Approved Redevelopment Project Areas.

Mr. Hamilton reported on item (e) as follows. The Dinkelspiel law firm has been providing excellent service to the Agency under this contract since June of 1980 on a wide variety of legal issues. Since the latter part of 1981, they have been representing the Agency in the Rogers, et al. vs. HUD, et al. lawsuit. Discovery in this action has been completed and trial has been set for July of this year. Renewed funding, which would increase the maximum contract amount to \$350,000, is necessary to enable the Dinkelspiel firm to continue to represent the Agency, including trial.

Ms. Mary Roger, WAPAC, inquired about the Dinkelspiel firm's Affirmative Action Program and Mr. Earl P. Mills, Deputy Executive Director, Community Services, went over the figures and indicated their Affirmative Action Program is in order. Mr. Ray Teketa, Attorney at Dinkelspiel noted the updated figures of the firm.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 64-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

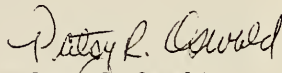
- (a) Mr. Hamilton indicated that Ms. Helen Erickson, once known as "the grand old lady of Fillmore Street" passed away Thursday, February 23. Ms. Erickson was the first woman president of the Fillmore Street Merchants and Improvement Association (the oldest Merchants Association in the City, est. 1902) and served in that capacity for four years. She was very much involved in the Western Addition A-1 Redevelopment Process in the early 1950s and in the Western Addition A-2 in the 1960s and early 1970s. At Supervisor Quentin Kopps' request, the Board of Supervisors adjourned their meeting of February 27 in memory of her achievements and it is requested that tonight's meeting be adjourned in her memory.

Minutes of a Regular Meeting, March 6, 1984

ADJOURNMENT

It was moved by Mr. Newman, seconded by Ms. Berk and unanimously carried that the meeting be adjourned in the memory of Ms. Helen Erickson. The meeting adjourned at 4:45 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Patsy R. Oswald".

Patsy R. Oswald  
Secretary

APPROVED

March 20, 1984

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
28th DAY OF FEBRUARY 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 28th day of February, 1984, the place and date duly established for the holding of such meeting.

The Acting President called the meeting to order and on roll call the following answered present:

Leroy King, Acting President  
Anne Halsted  
Haig G. Mardikian  
Walter S. Newman

And the following was absent:

Melvin D. Lee, President (arrived at 4:15 p.m.)  
H. Jesse Arnette  
Charlotte Berk (arrived at 4:12 p.m.)

The Acting President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, LaDra Ralgers, Allen Jordan, Bayview/Hunters Point Joint Housing Committee; Clinton Johnson, Clinton Johnson Consultant and Management; Mary Rogers, Leola King, Western Addition Project Area Committee (WAPAC); Beverly Willis, Willis and Associates; and Tim Dupre, interested citizen.

#### APPROVAL OF MINUTES

It was moved by Ms. Halsted, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of November 29, 1983, as distributed by mail to the Commissioners, be approved.

It was moved by Ms. Halsted, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of January 24, 1984, as distributed by mail to the Commissioners, be approved.

#### REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The Rules Committee of the Board of Supervisors passed affirmatively on Mr. Mardikian's reappointment to the Commission last Thursday, February 23. He will be before the full board next Monday as well as Ms. Halsted's appointment to the Port Commission.



NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the Disposition of Land Agreement for Lot 9 within Site S-4, Hunters Point.

President Lee opened the Public Hearing to hear all persons interested in this matter.

Resolution No. 52-84 requests authorization of a Land Disposition Agreement with Mr. Bennie Wright for Lot 9 within Site S-4, located off Whitney Young Circle on Lindsay Court in Hunters Point.

Mr. Hamilton reported on item (a) as follows. The Agency entered into LDA's with sixteen developers for the development of single-family homes on selected lots within Site S-4, which were offered exclusively to Hunters Point "Certificate" holders and the residents of the Hunters Point Bayview area. The original developer selected for this lot was Mr. Eric Webb, but he was unable to proceed due to loss of employment. Mr. Webb withdrew and staff contacted each of the three certificate holders on the waiting list and inquired regarding their interest. Of the three, only Mr. Wright indicated that he was still interested. Mr. Wright is a small contractor who desires to construct a single-family home for sale. Mr. Wright has submitted his financial data which indicates that he has the ability to construct the single-family home which will contain approximately 1,900 square feet and sell for an estimated price of \$145,000. The schedule of performance is to submit evidence of financing by August 29, 1984 and to convey the site no later than September 26, 1984.

There being no persons wishing to appear in connection with this matter the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, AND SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 52-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in the Disposition of Land Agreement for Parcel S-5, Hunters Point.

President Lee opened the Public Hearing to hear all persons interested in this matter.

Resolution No. 53-84 requests authorization of a Land Disposition Agreement with E. J. Henry Kopatscheck, Inc., for Parcel S-5, located on the block bounded by Newcomb Avenue, Whitney Young Circle, Site S-4 and La Salle Avenue in Hunters Point Project Area.

Mr. Hamilton reported on item (b) as follows. The developer proposes to construct nineteen single-family market rate homes priced from \$126,000 for the three bedroom units and \$127,000 for the four bedroom units. E. J. Henry Kopatscheck, Inc. is wholly owned by Richard Sanchez, who recently purchased the business from Mr. Kopatscheck. They have been in business together for some time and are experienced single-family home builders. Their most recent development is a small subdivision in San Bruno, California. While

NEW BUSINESS (continued)

the developer is non-union, he proposes to pay prevailing wage rates and abide by the Agency's affirmative action guidelines. The Developer hopes to begin construction by mid Summer, 1984 although the LDA provides for conveyance no later than November, 1984, and commencement of construction within 30 days after conveyance. Staff has examined the content of the proposal and the experience and capacity of the Developer and finds the proposal to be well designed and within the likely market for Hunters Point. The Developer has preliminary financial commitments from lending institutions with which he has done previous business.

Ms. Berk arrived at this time, 4:12 p.m.

There being no persons wishing to appear in connection with this matter the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, AND SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 53-84 BE ADOPTED.

- (c) Resolution No. 54-84 requests authorization of a First Amendment to the Legal Services Agreement with the law offices of Timothy E. Carr for the legal services of Lenell Topol in an amount not to exceed \$5,000 for Yerba Buena Center and Hunters Point.

Mr. Hamilton reported on item (c) as follows. In July 1983 an Agreement was authorized with this firm so that Lenell Topol, a former Agency attorney, could complete certain litigation and affirmative action matters. Oral argument in the State Court of Appeal for the Hunters Point litigation is still pending and YBC affirmative action issues have been ongoing. Funds are nearly expended and will be insufficient to cover additional services.

President Lee arrived at this time, 4:15 p.m.

In reply to Ms. Mary Rogers', WAPAC, concern, Mr. Leo Borregard, Agency General Counsel, indicated that there is no violation of the conflict of interest code as Ms. Topol is not doing business with the Agency, but is doing business for the Agency.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, AND SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 54-84 BE ADOPTED.

- (d) Resolution No. 55-84 requests authorization of a Fourth Amendment to the Agreement for Legal Services with the law firm of Shute, Mihaly & Weinberger in an amount not to exceed \$5,000 in connection with the Yerba Buena Center.

Mr. Hamilton reported on item (d) as follows. The Shute, Mihaly & Weinberger law firm has been providing specialized legal services under this contract with the Agency to assist the Agency in the ongoing environmental issues related to land use in the Yerba Buena Center Project Area. Funds are nearly expended in this Agreement and additional funding is to be used to complete mitigation measures

NEW BUSINESS (continued)

for the YBC EIR in conjunction with the Olympia & York, et al, Disposition and Development Agreement; it is also to be used for continuing advice and consultation.

In reply to Ms. Mary Roger', WAPAC, inquiries, Mr. Earl P. Mills, Deputy Executive Director for Community Services, indicated the amount expended thus far is approximately \$76,000; there has been no change in their staff, but they have been informed if there is they will be expected to take some affirmative action.

ADOPTION: IT WAS MOVED BY MR. KING, AND SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 55-84 BE ADOPTED.

- (e) Resolution No. 56-84 requests authorization of payment for the Agency's annual dues for membership in the National Association of Housing and Redevelopment Officials (NAHRO) for the amount of \$1,400.

Mr. Hamilton reported on item (e) as follows. NAHRO has been the most effective influence available in the formulation of national policy, procedure, and legislation, housing and community development fields, and has been very helpful in obtaining HUD rulings and waivers beneficial to the Agency. NAHRO is the one organization which continues to maintain the housing and community development programs at a viable level. The Agency's continued participation in NAHRO is important and it is a cost effective investment.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, AND SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 56-84 BE ADOPTED.

- (f) Resolution No. 57-84 requests adoption of a smoking policy for Agency offices and staff.

Mr. Hamilton reported on item (f) as follows. On June 3, 1983 Mayor Feinstein signed legislation adding a Smoking Pollution Control ordinance to the City's Municipal Code. The ordinance was confirmed in a referendum election in November, 1983 and it becomes effective on March 1, 1984. Agency legal staff has examined the ordinance and determined that the Agency falls within the provisions of the ordinance. The purposes of the policy are to protect the health and welfare of Agency employees and the public by regulating smoking in the office workplace and, to minimize the toxic effect of smoking in the office workplace by accommodating, insofar as possible, the preferences of both smokers and non-smokers. Staff and employee unions have had the opportunity to meet and/or comment on the proposed policy. Revisions to the policy have been made as a result of staff comments.

ADOPTION: IT WAS MOVED BY MR. KING, AND SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 57-84 BE ADOPTED.

NEW BUSINESS (continued)

- (g) Resolution No. 58-84 requests authorization of an Owner Participation Agreement with Cathedral Hill Development Company, Inc., formerly called the Catalyst Financial Corp., for the development of Block 696, Lot 12 located on the southeast corner of Post and Gough Streets in the Western Addition A-1. Also requested is approval of the architectural design for the development.

Mr. Hamilton reported on item (g) as follows. In the fall of 1981 an Amendment of the Redevelopment Plan was authorized to permit Catalyst Financial Corp. to construct market rate housing by changing the permitted use and the allowable density of housing that could be built on the site, conditioned on Catalyst rehabilitating 25 units in A-2 to be made available for moderate income households. The transaction never proceeded and Catalyst has dissolved and been replaced by the Cathedral Hill Development Company, Inc. A new scaled-down development proposal has been submitted, which includes the conversion of the existing garage with additional new construction of neighborhood commercial and office space with required off-street parking. Although there is no Affirmative Action Program for new construction in A-1, the developer has agreed with the concept, and language has been included in the OPA that obligates the owner to prepare a program that will set goals and timetables for Minority Business Enterprise participation and the hiring of employees. The development program has imposed some very difficult design constraints. First, for tax saving reasons, the facade on the existing two-story building will be retained. Second, 40,000 square feet of office space will be added to the top of the 22,000 square foot existing structure. Third, the existing structural system and small floor plan size, limited the available design options relative to building setbacks for the new addition. Given these design constraints, staff concluded that the concept that has the greatest opportunity of being executed successfully is one where the proposed new addition utilized the same architectural expression as the existing building in terms of scale and proportion of openings, materials and details. If the design concept is to be successful, more detailed drawings will need to be submitted, so that design concerns can be resolved.

Ms. Beverly Willis, architect for the development, described the design of the development.

Ms. Halsted left the meeting at this time, 4:30 p.m.

Mr. Edmund Ong, Chief of Architecture, presented staff's critique of the design and noted the design concerns.

President Lee inquired what the total height of the building would be with the addition and Mr. Ong indicated approximately 96 feet. President Lee inquired if the building fell into the category of the life safety requirement and Mr. Ong indicated affirmatively. Mr. Newman inquired what the height limit is for the area and Mr. Ong indicated 240 feet.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, AND SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 58-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 59-84, requests authorization for the Executive Director to travel to Toronto, Canada, March 1 - 2, 1984 to review design material for Yerba Buena Center. Cost to the Agency will not exceed \$950.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 59-84 BE ADOPTED.

- (b) Ms. Mary Rogers, WAPAC, indicated that prefab construction and non-union workers were being used in the Western Addition at Eddy and Webster by Blue Jay Development and she inquired what Commission Policy is on this kind of construction and use of non-union workers.

Mr. Gene Suttle, Project Director, Western Addition A-2, indicated that staff has been aware that the developer late in his development process was using off-site pre-assembled wall sections to affect a cost savings, and the developer has been warned that the use could result in direct action by the labor unions and the Agency would not be able to protect them from that. Mr. Suttle noted that this site is being built with private funds and there is no requirement in the LDA of a private contractor to pay prevailing wages or use union labor.

President Lee indicated that staff would look into this situation.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:45 p.m.

Respectfully submitted,

Patsy R. Oswald  
Secretary

APPROVED

March 13, 1984



MAR 21 1984

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
14TH DAY OF FEBRUARY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 14th day of February, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnelle  
Anne Halsted  
Haig G. Mardikian  
Walter S. Newman

and the following was absent:

Charlotte Berk (arrived at 4:20 p.m.)

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Rafifi Woodard, Larry Lycns, Nerino Di Bartolo, Curtis Jones, Henry Woodson, Albert C. Gooch and Vickie Blomquist, Liberation House; Ocie Mae Rogers, Joint Housing Committee, Bob Littell, Cathedral Hill Development Company; Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); A. J. Lirot, Arnold Townsend, Fillmore Group Inc.; and Essie Collins, Rev. L. V. Wade, Morris Bernstein, Dave Cincotta, Roy Chew and Irene Yarbrough, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Halsted, and unanimously carried that the minutes of the regular meeting of January 31, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matter:

- (a) The Agency's offices will not be open next Monday, February 20 in observance of Washington's Birthday.

UNFINISHED BUSINESS

- (a) Resolution No. 33-84 requests authorization of Exclusive Negotiations with Herman and Irene Yarbrough for purchase and rehabilitation of Parcel 688-C(1), 1401-1405 Gough Street located on the west side of Gough between Sutter and Post Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. This item was continued from last week's meeting to confirm Ms. Yarbrough's interest in proceeding. Ms. Yarbrough has now definitely confirmed her interest in the purchase and rehabilitation of the structure. At the meeting last week, Mr. Graff requested that he and Mr. Briggs be given time to present some concerns they had about the granting of exclusive negotiations for the rehabilitation of the building. Mr. Hamilton indicated he met with Mr. Graff and Mr. Briggs and explained the offering procedure and that to recommend exclusive negotiations with them would seriously violate the Agency's rules with respect to Offering No. 22. Staff's recommendation therefore, continues to be that Ms. Yarbrough be given exclusive negotiating rights to 1401-1405 Gough Street.

Mr. David Briggs indicated he has been a tenant in the building for 13 years and was there when the Agency acquired the building. He believed he was a preferred bidder at the time of acquisition and not at a subsequent time when application might be made. Mr. Briggs asked that this item be postponed for another week so that he could demonstrate his financial capacity, which was forthcoming. He also requested the Commission consider his long time as a tenant in the building, his investment of labor and capital, his payment of unsecured property taxes and that he was the highest bidder for the building.

President Lee inquired if Mr. Briggs received his certificate of preference after the bidding time and Mr. Briggs indicated affirmatively.

Mr. Hamilton indicated he had met with Mr. Briggs and Mr. Graff and discussed their concerns, one of which was that their certificate was secured subsequent to the closing of the bid time and therefore on the basis of the bid language was not acceptable in the bid process. Secondly, the equity which was submitted by Mr. Briggs was insufficient to demonstrate his ability to handle 51% of the development enterprise, which was necessary in order to make his certificate effective. The requirement is that the demonstration be available at the time the response is submitted. Third, the Commission had rejected a response to all of the buildings in Offering No. 22 from Mr. U. J. Montgomery, et al solely on the basis of the fact that he had not demonstrated financial capability, although he too indicated that if given time he would demonstrate that ability. There is no way to waive the requirement in this instance without resurrecting the question of whether special allowance should not have been given to Mr. Montgomery and the certificate of preference holders he represented.

At this time Ms Berk arrived, 4:20 p.m.

UNFINISHED BUSINESS (continued)

Ms. Halsted inquired if residency of the building carries any weight and Mr. Leo Borregard, Agency General Counsel, indicated he knows of none. A resident at the time of acquisition is entitled to a certificate of preference, but under the offering criteria, the certificate of preference must be issued prior to the submission of the proposal. Also, residency would not effect the requirement that financial capability be demonstrated in accordance with the offering requirements.

Mr. Mardikian inquired what payment of unsecured property taxes is and President Lee indicated the taxes paid were for personal property and unrelated to real estate property taxes.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 33-84 BE ADOPTED.

UNFINISHED BUSINESS AND NEW BUSINESS

- (b) Unfinished Business and (a) New Business. Item (b), Resolution No. 31-84 requests authorization of Exclusive Negotiations with Mr. Donald Sweet, Mr. Morris Bernstein and United Bank for Parcel 714-A(2) located on the northwest corner of Myrtle Street and Van Ness Avenue in the Western Addition A-2. Item (a), Resolution No. 41-84 requests authorization to reject all responses to Offering No. 23 for Parcel 714-A(2), Western Addition A-2.

Mr. Hamilton reported on item (b) and (a) as follows. Item (b) was a response to Offering No. 23, which was continued from the meeting of January 31, in order to explore a joint venture possibility in the development of this parcel. When the Offering went out on this parcel the Agency requested the site be developed with commercial/office or commercial/office/market-rate residential uses. All five proposals that were submitted were permissible under the Redevelopment Plan. At the January 31 meeting staff was prepared to recommend exclusive negotiating rights with Mr. Sweet, Mr. Bernstein and United Bank for the development of a low-rise office building. However, prior to the meeting, after considerable discussion about the desirability of housing on Van Ness Avenue and the receipt of correspondence from the Director of City Planning, that the Agency in fact considered doing so in being consistent with the development guidelines for the Van Ness corridor, a two week postponement was requested to consider methods of achieving housing, a mixed use development, perhaps through a joint venture. Exploration of a joint venture has determined that not to be a feasible approach on this site. However, selection of either one of the two housing proposals received in response to the offering based on preference for housing, which was not stated in the offering, would not be equitable with respect to the interest of all of those who submitted all commercial developments. Under the circumstances it is recommended that Resolution No. 31-84 be tabled and Resolution No. 41-84 be approved rejecting all proposals to Offering No. 23. After

UNFINISHED BUSINESS AND NEW BUSINESS (continued)

staff reviews the Agency's marketing policy and priorities, further discussions with the Director of City Planning, they will make a recommendation for disposition of this parcel.

Mr. Mervyn J. Goodman indicated he has a suit against the Agency and this parcel should not be offered to any developer until this is cleared up.

Mr. John Russell indicated he submitted a residential proposal with a small amount of commercial in which the other developers submitted office building proposals. He believed those proposals had the same opportunity as he in submitting a proposal with residential and did not see the logic of rejecting all bids.

Mr. Hamilton indicated the offering in its substance did not offer or provide a preferred position for housing and since it did not provide a preferred position, someone submitting an office proposal had a reasonable belief that they would be considered equally and since that is not the case an equal opportunity needs to be provided.

Ms. Berk noted that when the offering originally went out it was the understanding then there might not be anyone responding who planned to build housing and she now inquired if there is any assurance now that they would. Mr. Hamilton indicated that type of response was received in the original proposal.

MOTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 31-84 BE TABLED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 41-84 BE ADOPTED.

NEW BUSINESS

- (b) Public Hearing to hear all persons interested in the Land Disposition Agreement for Parcel 732-A&B, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 42-84 requests authorization of a Land Disposition Agreement with The Fillmore Group, a California Corporation, Mountain South, a Mississippi Corporation and Bay Hill Service Corporation, a Mississippi Corporation, for the Parcel 732-A&B located on the block bounded by Fillmore, Webster, Eddy and Ellis Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. The Fillmore Group, Inc. has proposed to develop approximately 125 multi-family rental units consisting of mainly two bedroom units with rents estimated at \$800 - \$900 per month, a 1,500 seat live theatre, 4 cinemas, approximately 10,000 sq. ft. of commercial space and a 3 story



NEW BUSINESS (continued)

parking structure for 645 parking spaces. The two active directors, A.J. Lirot, and Arnold Townsend are responsible for the day-to-day operations and the three passive directors, Jim Messicci, John McCormack and Roger Superko are essentially financial partners. The corporation is capitalized only for predevelopment expenses. The two Mississippi corporations will provide financing for construction and takeout for the development and as a general partners, will provide equity capital. The Developer and staff have agreed on the extent and form of affirmative action minority/community benefits, which will be achieved by participation of persons and classes of people from the Western Addition. The Fillmore Group's proposal is to create a development that includes elements that have long been sought and felt to be needed for this area. The developer has assembled a team combining proven architectural, development, construction, financing, marketing and management experience. This team has the skill and dedication that is required to carry out this project. The schedule of performance is to submit evidence of financing by July 20, 1984 and to convey the site no later than August 20, 1984.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

Mr. Newman inquired if the financial capacity of the Mississippi Savings and Loan has been seen and if they have the financial capacity for the project and Mr. A. J. Lirot indicated that the financial partners for the project have submitted their financial statements and they do have the financial capacity.

President Lee inquired what the services of Mountain South and Bay Hill is and Mr. Lirot indicated both corporations are service corporations for financial institutions, both of which are wholly owned subsidiaries of Savings and Loans.

Mr. Newman inquired whether the theatre will be part of the package and Mr. Lirot indicated they have been approached by potential renters of the theatre in which they have requested some reconfiguration of the theatre and they have offered 50 days or 100 calendar days a year if they could do some reconfiguration. They have decided to hold back on the sale of the theatre until they have entered into an LDA with the Agency and are financially in a position to get together with their architect and evaluate whether they can accommodate the theatre group or not. Mr. Newman inquired if the theatre will be operating as part of the whole complex and Mr. Lirot indicated they plan to complete the theatre prior to the completion of housing in time for the Christmas Holidays of 1985.

President Lee inquired if he plans to complete the theatre first and then the housing and Mr. Lirot indicated the construction firm, Turner Construction, will be doing quite a bit of the work simultaneously and their goal for completion is to have the theatres finished first. President Lee inquired if it would still be a 1,500 seat theatre and Mr. Lirot indicated they hope to enlarge the theatre with dinner not being an accommodation.



NEW BUSINESS (continued)

Mr. Newman indicated this is a terrific project, one this Agency has hoped would go ahead for a long time and it will be a tremendous boost to the Fillmore development area.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 42-84 BE ADOPTED.

- (c) Public hearing to hear all persons interested in the Land Disposition Agreement for Parcel 1126-C; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 43-84 requests authorization of an LDA with John O'Neill, James O'Neill, John C. O'Neill and Michael O'Neill as Trustee for Karen M. O'Neill, a joint venture for Parcel 1126-C located on the southeast corner of Broderick and Ellis Streets in the Western Addition A-2.

Mr. Hamilton reported on item (c) as follows. Exclusive negotiations were authorized in September, 1983 with the developer who proposes to build 6 market rate residential condominiums. The units are to sell for approximately \$114,000.00. The LDA performance dates will be to submit evidence of financing by October 17, 1984 and to convey the site by December 19, 1984.

There being no persons wishing to appear regarding this matter the President declared the public hearing closed.

ADOPTION: IT WAS BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 43-84 BE ADOPTED.

- (d) Resolution No. 44-84 requests authorization to amend the conveyance date from February 14 to March 15, 1984 in the LDA with Liberation House for Parcel 683-F, 1724 - 1728 Steiner Street in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. An LDA was authorized in June, 1983 for rehabilitation of the subject building as a social rehabilitation residential facility, which provides alcohol recovery and rehabilitation programs for residents of the Western Addition and surrounding areas of the City. On January 24, 1984, an extension was granted of the conveyance date to today, February 14. The developer has met all pre-conveyance requirements with the exception of securing the contractor's performance bonds. Staff has been in contact with the contractor who indicates that the bond will be delivered shortly, but not in advance of today's scheduled conveyance deadline. The process of obtaining a performance bond for the Liberation House project is complicated by the fact that a large proportion of the rehabilitation work is to be accomplished with volunteer labor and donated materials. This partial sweat-equity arrangement was accepted by staff based on the

NEW BUSINESS (continued)

significant amount of work already accomplished by Liberation House during their tenancy in the building. However, that acceptance is conditioned upon a performance bond being obtained to cover the full value of the rehabilitation work. This requirement is based on the fact that a bond for less than the entire value of the rehabilitation work would not provide assurance of completion.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 44-84 BE ADOPTED.

- (e) Resolution No. 45-84 requests authorization to refund the security deposit to Tyson Joseph Duhon and Cassandra Dale Duhon for the property located off Whitney Young Circle in the Hunters Point.

Mr. Hamilton reported on item (e) as follows. The Duhons were one of the sixteen developers selected after an exclusive offering of single family lots to Hunters Point Certificate Holders or residents of the Hunters Point - Bayview area. At the time of their selection in December, 1980, both Mr. and Mrs. Duhon were employed but during the intervening three years, the Duhons were detrimentally affected by the recession which resulted in high interest rates and Mr. Duhon's loss of employment. Despite their diligent efforts they were not able to again reach a point where construction of their own home was financially feasible. In December, 1983, staff reluctantly initiated the formal process of terminating the LDA with the Duhons. Staff has received the required application for return of their \$300 security deposit.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 45-84 BE ADOPTED.

- (f) Resolution Nos. 46-84 through and including 50-84 requests authorization of a Sixth Amendatory Agreement with the developer of Lot 12 and Seventh Amendatory Agreements with the developers of Lots 1, 3, 4 and 6 within Site S-4 located on Hunters Point Hill and Carpenter Court in Hunters Point.

Mr. Hamilton reported on item (f) as follows. LDA's were authorized with these 5 developer's for development of single-family homes. The developers were selected from an Agency offering which was offered exclusively to Hunters Point Certificate Holders and to the residents of the Bayview area. The pre-conveyance process continues to take longer than anticipated but is nearing conclusion. Staff has examined each developer's status on a case-by-case basis and propose extensions from February 15 to May 18, 1984 for the following developers: Reese for Lot 1; Primus for Lot 3; Wilson for Lot 4; Hayes for Lot 6 and Wise for Lot 12.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NOS. 46-84 THROUGH AND INCLUDING 50-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 51-84, requests authorization of a Sixth Amendatory Agreement with Oscar F. L. James and Patricia James for Lot 13, Site S-4 in Hunters Point.

Mr. Hamilton reported on item (a) as follows. This item was continued from last week's meeting in which Mr. James raised the question of his cancellation of his rights and discontinuance of staff working with him for the development of a single family home. An attempt to reach Mr. James was unsuccessful in notifying him of his failure to perform and a notice of default was forwarded. When no response was received to that and according to the LDA, unless it was acted upon it would terminate automatically. Mr. James is still within the cure period, staff has talked to him and determined his continuing interest and indeed the fact that he was physically incapacitated which resulted in his nonresponse to earlier notices. It is recommended that Mr. James be continued under terms of the currently effective LDA, with a new performance schedule which will change submission of evidence of financing from November 9, 1983 to May 23, 1984, conveyance of the site/close of escrow from December 14, 1983 to June 27, 1984. Mr. James has now decided to join with the other S-4 developers in taking advantage of an offer from SOCA Development for financing arrangements.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 51-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Halsted, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:00 p.m.

Respectfully submitted,

Patsy R. Oswald  
Secretary

APPROVED

March 13, 1984

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
7TH DAY OF FEBRUARY 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 7th day of February, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Anne Halsted  
Haig G. Mardikian  
Walter S. Newman

and the following was absent:

H. Jesse Arnette

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Winona Leone, Steve Kawa, Pacific Bell; Nicholas Terlecky, Ralph Butterfield, Wurster, Bernardi & Emmons; Harold Bexton, Bexton Associates; Mary Rogers, Western Addition Project Area Committee (WAPAC); Nat Taylor, Howard Wexler, Grosvenor Properties; and Essie Collins, Nolan Frank, Oscar James, Roy Chew, Richard Graff and David Briggs, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Halsted, and unanimously carried that the minutes of the regular meeting of January 17, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matter:

- (a) Yesterday, the Multi-Service Center for Koreans held opening ceremonies for their new community center at 1362 Post Street. The Mayor and Commissioners Lee, King and Berk were in attendance.

UNFINISHED BUSINESS

- (a) Resolution No. 27-84 requests authorization to enter into an agreement with Earle V. Maynard and Company for all risk coverage except earthquake, war, flood and nuclear for buildings to be rehabilitated in the Western Addition A-2 and Yerba Buena Center.

Mr. Hamilton reported on item (a) as follows. This item was continued from last week in order to resolve staff concerns regarding affirmative action. Those concerns have been resolved and staff is ready to proceed. Three proposals were received for the fourteen buildings to be rehabilitated valued at \$5,446,000. The lowest quotation which met all of the requirements was \$21,748 received from Earle V. Maynard and Company whose insurance carrier is Canadian Indemnity Company.

ADOPTION: IT WAS BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 27-84 BE ADOPTED.

- (b) Resolution No. 24-84 requests authorization of Exclusive Negotiations with Norman's Development Corporation, Mr. Norman Impelman, an A-2 Business Certificate Holder, Mr. Thomas Lee, and Mr. Louis Castillo for the purchase and rehabilitation of 1401-1405 Gough Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. It is requested that Norman's Development Corporation's response be rejected. Staff was informed just prior to the meeting of January 24 that the partners, Mr. Lee and Mr. Castillo had withdrawn their interest from developing the subject building with Mr. Impelman. Though Mr. Impelman indicated he would proceed with the project alone or secure other partners, the legal division has advised that a change in the composition of the partnership would, in fact, be a change that is not in compliance with the terms of the offering and the proposal should be rejected.

MOTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT THE PROPOSAL FROM NORMAN'S DEVELOPMENT CORP., MR. THOMAS LEE, AND MR. LOUIS CASTILLO FOR PURCHASE AND REHABILITATION OF 1401-1405 GOUGH STREET IN THE WESTERN ADDITION A-2 BE REJECTED.

NEW BUSINESS

- (a) Resolution No. 33-84 requests authorization of Exclusive Negotiations with Irene and Herman Yarbrough until May 8, 1984, for purchase and rehabilitation of Parcel 688-C(1), 1401-1405 Gough Street located on the West side of Gough between Sutter and Post Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. There is uncertainty at this time whether the developer Mrs. Irene Yarbrough wishes to proceed. It is therefore recommended this matter be held a week pending a clear determination of what her intention is.



NEW BUSINESS (continued)

Mr. Richard Graff indicated that he, together with Mr. David Briggs, who is a tenant in the building and a Certificate of Preference Holder, submitted a bid on the subject parcel, but there was a difficulty in establishing Mr. Briggs' certificate and requested the Commission consider Mr. Briggs' certificate retro-active to the effective date of the bid opening. Mr. Graff also requested the Commission consider either entering into Exclusive Negotiations with them or rebidding the property under which they would be able to bid as a certificate holder.

Mr. Hamilton noted that though he had been advised by staff of the matter in which Mr. Graff had commented on, which was forwarded to the Commission, there is still a question in reference to the equity capacity of Mr. Briggs who by reason of the certificate policy must support 51% of that equity responsibility, and there is a question of the adequacy of the information given to support that contingent. Mr. Hamilton indicated he would meet with Mr. Briggs so that the entire range of concerns could be resolved.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that Item (a) would be continued for one week to the meeting of February 14, 1984. There being no objection it was so ordered.

- (b) Resolution No. 34-84 requests authorization to return the performance deposit to Benjamin and Beverly Smith in connection with the termination of the LDA for Parcel 728-L, 1339-1341 Pierce Street, located on the West side of Pierce between O'Farrell and Ellis Streets.

Mr. Hamilton reported on item (b) as follows. In March, 1983, an LDA was authorized with Mr. and Mrs. Smith for the purchase and rehabilitation of a two-unit Victorian structure. In November, 1983, the Developers indicated that in view of their current financial position, they are unable to provide the required evidence of financial commitment from a qualified lender and are unable to proceed with their planned development. Staff has received the required application from the Developer requesting the return of this deposit. In view of the developer's past performance in their efforts to provide the required documents in a timely fashion, and the efforts exerted to obtain financing, staff recommends return of the Smith's deposit.

Mr. Lee inquired as to the total amount of the deposit to be refunded to Mr. and Mrs. Smith and Mr. Hamilton indicated \$300.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 34-84 BE ADOPTED.

- (c) Resolution No. 35-84 requests authorization of a Second Amendatory Agreement to extend the conveyance date for 30 days to the LDA with Mr. James J. Doherty for Parcel 728-F, 1329 Pierce Street located on the West side of Pierce between Ellis and O'Farrell Streets in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. The LDA was authorized in May, 1983 with the developer for the purchase and rehabilitation of a seven unit residential building comprised of six one-bedroom and one two-bedroom units. Following completion of the rehabilitation work, the Developer will convey the units as condominiums to low and moderate income individuals and families with preference given to the Agency's Certificate of Preference Holders. In December, 1983, the Commission approved a First Amendatory Agreement allowing the Developer time to obtain final City approval of the condominium subdivision map, which has now been obtained. Now, however, the City has requested that Mr. Doherty have his lender, Bank of America, guarantee the subdivision improvements prior to recording the map. Mr. Doherty is currently working with the City and the Bank of America to satisfy this additional and unanticipated City requirement. Mr. Doherty has also applied for the necessary building permit which was anticipated to have been issued by this time, however, due to certain requirements by the San Francisco Fire Department, the issuance of the permit is still not made, but is expected within the next few weeks.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 35-84 BE ADOPTED.

- (d) Resolution No. 36-84 requests authorization to rescind the policy of broker participation in the Diamond Heights, Hunters Point, Western Addition A-2 and Yerba Buena Center Project Areas.

Mr. Hamilton reported on item (d) as follows. In January, 1976, a resolution was approved by the Commission to set forth a specific broker participation policy and schedule of commissions for use in the Agency's "market rate" land marketing programs. Since the adoption of the policy, and perhaps due to the complexity and the variability of the Agency's program, out of a total of nearly 200 properties sold only two involved the payment of a broker's commission. One pending sale may be eligible for commission. It is staff's view that this little used policy as it currently exists, having given it some recent analysis, could possibly be a detriment to the Agency in its marketing program. The decision of whether broker participation is desirable should be made on a case by case basis and then by the Commission. However, India Basin has been excluded from the recommendation because broker participation has been significantly helpful. Fourteen of the 29 parcels sold have involved a broker's commission and it is believed the broker participation policy should remain in effect for the two remaining available parcels.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 36-84 BE ADOPTED.

- (e) Resolution No. 37-84 requests authorization of an Agreement with Agency staff Real Estate Broker, Ms. Susan Ranney, in order to list condominium units through the San Francisco Realtors Multiple Sales Service; also requested is authorization to expend an amount not to

NEW BUSINESS (continued)

exceed \$10,000 for payment of advertising, multiple listing fees and related costs to market the remaining eleven units in the Agency's Affordable Condominium Program in the Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. In September, 1982, the Western Addition Affordable Condominium Program was authorized for sale of 31 Victorian Condominiums and 20 units have been successfully sold. However, marketing efforts have not generated qualified buyers for the eleven remaining units. Staff now feels that the continuous and widespread exposure offered through a multiple listing service is the most efficient means of selling the remaining eleven units, and will also allow direct involvement by Agency staff in conveying the unique aspect and requirements of the financing being offered by the Agency. Advertisements will also be placed in several local newspapers and repeated based on the responses generated. Though Ms. Ranney will not earn a commission, a 3% commission is proposed to be paid to outside brokers with purchase offers that result in sales. With respect to the six remaining Endicott Court units, there has been relatively little buyer interest, which may be due to there having no off-street parking nor any storage area outside of the unit itself. Based on staff analysis and in cooperation with the First Nationwide Savings' appraiser, who have taken into account the lack of parking and storage, plus a reflection of the current market values, they have concluded the units should be reduced in price averaging \$33,000 per unit. A-2 certificate holders will be informed of the reduced prices for the Endicott Court units so that the new purchase opportunity is fully known to those people the Agency is most directly trying to serve. Applications have been received for four units and they are in various stages of being processed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 37-84 BE ADOPTED.

- (f) Resolution No. 38-84 requests authorization of the Articles of Incorporation and Bylaws of the New Hunters Point Homeowners Association; execution of the Declaration of Covenants, Conditions and Restrictions; payment of filing and recording fees; Agency membership in the Homeowners Association as long as it owns land covered by the CC&R's; all in connection with the Parcels S-1 through S-5 bounded by LaSalle Avenue, Cashmere Street, Hudson Avenue and Whitney Young Circle in Hunters Point.

Mr. Hamilton reported on item (f) as follows. LDA's entered into with developers of land within Phase III require that the developers become members of a Homeowners Association to be formed by the Agency in order to maintain the Phase III Common Areas. Upon the formation of the Homeowners Association and execution and recordation of the CC&R's, each developer and all subsequent purchasers of lots covered by the CC&R's will become voting members of the Association. Each member, including the Agency, shall be subject to regular and special assessments for maintenance of the Common Areas and each member's property will be subject to the terms

NEW BUSINESS (continued)

the frontage is and Mr. Butterfield indicated the height from Van Ness to the Cornice is about 50 feet. President Lee inquired what the height of the entrance is and Mr. Butterfield indicated about 25 feet.

Mr. Newman inquired if those were windows of offices where the facade on the Van Ness side where the arches are and Mr. Butterfield indicated affirmatively. Mr. Newman inquired if the entry was into the office area and Mr. Butterfield indicated it is the entrance into the two story retail. When you come in there is a large atrium with glass elevator that takes you up to the second level.

Mr. Newman inquired what material was being used for the cap on the roof and Mr. Butterfield indicated it would be either painted metal or copper.

Mr. Newman asked about the view corridors and how they would effect the views from Post and Franklin as people come down Post Street and Mr. Butterfield pointed out on the model the effect the building will have on the view corridors, which Mr. Newman noted there would be no view corridors. Mr. Newman inquired if the towers were narrower and taller than the previous design and Mr. Butterfield indicated the podium level and tower are exactly the same height, but the structure at the shoulders is narrower. Mr. Ong noted that the two towers in terms of the bulk, the length and diagonal dimension have actually shrunk. So there is less square footage in these two residential towers now than there was before. Mr. Newman inquired if a wind and shadow study had been done on the building and Mr. Butterfield indicated there had been a shadow study done on the previous solution that this new design did not change significantly, but he did not believe a wind study had been done.

Ms. Halsted inquired if there was a pool on the podium and Mr. Butterfield indicated there is a pool on the very top of the galleria and it is closed in.

Ms. Berk inquired about the cylindrical corners on Van Ness Avenue and Mr. Ong indicated he did not believe they would have a problem with the cylindrical form, but the way it is drawn indicates it is all glass and the major portion of the Van Ness facade is much more solid than that. It has glass but is more of a solid wall with punched openings in it. There should be some integration in terms of the design relationship between the round form and the rest of the facade and it may be as simple as if they develop a strong cap to the podium like we are asking them to do, maybe it is just a question of carrying that form around and over that cylinder that will tie it back into the facade. Ms. Berk inquired what would actually occupy the cylinders and Mr. Ong indicated retail commercial space at the ground level and office above.

Mr. Newman inquired how the traffic would flow in and out of the garage and Mr. Ong indicated there is garage access off of Post as well as off of Hemlock. The major entrance to the residential



NEW BUSINESS (continued)

towers is off of Hemlock. The attempt is to develop Hemlock as a motor court in front of the galleria and that becomes the address for the residential tower and there is also access to the garage.

In reply to President Lee's inquiries, Mr. Butterfield indicated that parking was divided into three parts: there would be short term commercial parking, long term commercial parking and residential parking. President Lee inquired what materials would be used on the ground driveway material at the Hemlock entrance and Mr. Butterfield indicated it will be either brick or a fire granite material which will be used for all of the entries.

President Lee inquired what the future use of the abandoned gas station on the Franklin Street side would be and Mr. Butterfield indicated it will be a Standard station. President Lee inquired how the developer would treat the separation between the gas station and the tower and Mr. Butterfield indicated by the large cornice element that comes around the end of it. A great deal of it will be open, except the gas islands will be closed off and then there are service bays further back in. President Lee inquired if the gas storage tanks will be underground and Mr. Butterfield indicated affirmatively in the sidewalk area.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 40-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

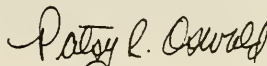
- (a) Mr. Oscar James, developer of Lot 13, Site S-4 in Hunters Point requested an extension to his LDA. He had been sent a notice of default that would have terminated his right to the property. When he did not reply, staff recommended negotiations end and he was so advised. Mr. James indicated he had been in the hospital at the time the notice arrived and believed he had submitted the necessary information.

Mr. Hamilton suggested that if there is any possibility of a community person performing, the Agency would not want to preclude them from doing so and indicated Mr. James Wilson the Projector for Hunters Point would explore this and they would meet with Mr. James and will report back to the Commission as to a recommendation for further consideration.

ADJOURNMENT

It was moved by Mr. Berk, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:33 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

March 6, 1984





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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
31st DAY OF JANUARY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 31st day of January, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Meivin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Anne Halsted  
Haig G. Mardikian

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and the following was absent:

H. Jesse Arnelle  
Walter S. Newman

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The President declared a quorum present.

Also present were Mary Jane Staymates, Western Addition Neighborhood Association (WANA); Charles Sprincin, Sarah Wally, Sprincin Company, Incorporated; Don Flynn, Flynn Land Company; and Nicola Smith, Morris Bernstein, Donald Sweet, Gordon Lau and John Pasini, interested citizens.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of December 20, 1983, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On Friday, January 27, the Board of Supervisors' Housing and Development Committee held the postponed hearing of December 20, 1983 to consider the Rincon Point-South Beach Redevelopment Plan for the purpose of evaluating its progress in implementation. The hearing lasted for an hour and a half. The only instruction that the Board had to the Agency was a desire to have confirmation of the willingness of developers, should tax

REPORT OF THE EXECUTIVE DIRECTOR (continued)

increment financing be available for moderate income housing, to commit themselves to at least a 50% buy-down of units that they produce. That means that the developer would make available 50% of the units at cost, plus 15%, assuming the City through tax increment financing can buy them out.

- (b) Monday, February 6, the Multi-Service Center for Koreans will be holding their Opening Ceremony of their new community center at 1362 Post Street. The Mayor will be there with ceremonies to begin at 12 Noon with a reception and open house to follow until 7:30 that night.
- (c) Next Wednesday, February 8, Mr. Hamilton will be appearing before the Board of Directors of the San Francisco Convention and Visitors Bureau to make a presentation on Yerba Buena Center.

NEW BUSINESS

- (a) Resolution No. 26-84 requests authorization to amend the Agency's contract with the Public Employees' Retirement System (PERS) to add an option for service credit for unused sick leave at retirement.

Mr. Hamilton reported on item (a) as follows. As part of the negotiated agreements with Local 390/400 and Local 21 the Commission authorized on January 10 the intent to amend the Agency's PERS contract. State Law requires that the final adoption of any PERS contract amendment be at least twenty days after the adoption of the resolution of intent. This contract provides for additional retirement service credit on a day-for-day basis for any sick leave earned following adoption of the contract amendment and remaining unused at the time of retirement. The cost of the contract option will be approximately \$12,000 annually.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 26-84 BE ADOPTED.

- (b) Resolution No. 27-84 requests authorization to enter into an agreement with Earle V. Maynard & Company for all risk coverage except earthquake, war, flood and nuclear for buildings to be rehabilitated in the Western Addition A-2 and Yerba Buena Center.

Mr. Hamilton reported on item (b) as follows. It is requested that this item be held for one week pending resolution of some staff concerns relative to Affirmative Action.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that item (b) would be continued for one week to the meeting of February 7, 1984. There being no objection it was so ordered.

NEW BUSINESS (continued)

- (c) (d) and (e) These three items request authorization of Exclusive Negotiations until May 1, 1984 with Mr. John Pasini. Resolution No. 28-84 is for the purchase and rehabilitation of Parcel 1127-E(1), 1800 Eddy Street, located on the northwest corner of Eddy and Scott Streets, an 1870 two story wood frame Victorian; Resolution No. 29-84 is for Parcel 1127-E(4), 2107 Scott Street, located on the west side of Scott between Ellis and Eddy Streets, an 1880's two story Victorian and Resolution No. 30-84 is for Parcel 1127-E(3), 1211 Scott Street, located on the west side of Scott between Ellis and Eddy Streets, also an 1880's two story Victorian in the Western Addition A-2.

Mr. Hamilton reported on items (c), (d) and (e) as follows. Mr. Pasini's response to rehabilitation Offering No. 22 was the highest qualified under Preference Category II which is for Non-Certificate of Preference Holders. In Preference Category I, which is for Certificate Holders, Fillmore Cooperative Development Corporation submitted a response for the three buildings. However, they were found to be deficient of the required evidence of financial capacity. They also listed three Certificate of Preference Holders, which were verified by staff to be valid; however, the offering requires at least 51 percent ownership interest and equity capital participation, which was not submitted and the response was determined to be non-responsive. The response Mr. Pasini submitted provided satisfactory evidence of rehabilitation experience and financial capacity to undertake the project and all other criteria of the offering has been met.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 28-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 29-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. HALSTED, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 30-84 BE ADOPTED.

- (f) Resolution No. 31-84 requests authorization of Exclusive Negotiations with Mr. Donald Sweet, Mr. Morris Bernstein and United Bank for Parcel 714-A(2) located on the northwest corner of Myrtle Street and Van Ness Avenue in the Western Addition A-2.

Mr. Hamilton reported on item (f) as follows. Staff is requesting that a two-week extension be granted in order to allow time to thoroughly explore joint venture possibilities for the development of this parcel.

Mr. Gordon Lau, representing Mr. Morris Bernstein, Mr. Donald Sweet and the United Bank indicated they have no objection to the two week extension that has been requested and they are willing to do

NEW BUSINESS (continued)

whatever is necessary to meet the Agency's requirements, but in their estimation they have a really good project and do not need the assistance of a joint venture partner.

Mr. Donald Flynn, Flynn Land Company, indicated that the Agency should have negotiated this parcel rather than having a public offering where a number of developers, including himself, spent a lot of time and energy thinking it was an open contest. Further, the building will be there for a long time and of the five proposals, in his opinion, it was probably the worst.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that item (f) would be continued for two weeks to the meeting of February 14, 1984. There being no objection it was so ordered.

- (g) Resolution No. 32-84 requests authorization to apply and to pay the required fees not to exceed \$10,000 for permits from the San Francisco Bay Conservation and Development Commission (BCDC), the U.S. Army Corps of Engineers, and from other agencies with permitting authority as may be necessary for the South Beach Boat Harbor in the Rincon Point-South Beach Project Area.

Mr. Hamilton reported on item (g) as follows. In April, 1982, the Commission selected a Development Alternative containing three major elements; the Harbor which is to have berthing for about 700 boats and to be contained by a breakwater; Pier 40 which is to include a rehabilitated shed with parking, a mezzanine with harbor support retail/service and office uses, a new infill structure with similar uses, and public access around the perimeter of the pier; about 4 1/2 acres of soft surface park, a small boat repair yard, and parking. The Park was to contain about 8 acres and extend to Pier 46B, but has been reduced to the limits of the 100 foot shoreline band over which BCDC has jurisdiction. The reduction is to allow City resolution of the land use behind the shoreline band, which may be for a Stadium, a park contained in the Redevelopment Plan, or other purposes. The development proposed in this application will not prejudice that decision. In June, 1982, the Commission authorized application for a development loan from the California Department of Boating and Waterways (Cal-Boating) for \$8,000,000 to partially fund this project. \$4,500,000 of this amount has been authorized by Cal-Boating and the balance committed over the next two fiscal years. In October, 1982, a Personal Services Contract was authorized with Winzler & Kelly whose design of the first phase, the Harbor, is 95% complete and within six weeks of readiness for construction contract advertisement. In November, 1983, the Commission, in joint session with the Planning Commission, recommended an amendment to the Plan needed to implement the adopted development project. This Plan Change, approved by the Board of Supervisors, is to be signed by Mayor Feinstein this week. Application for permits is a necessary step to the development of the Harbor in fulfillment of the Agency's responsibilities under the Redevelopment Plan.



Minutes of a Regular Meeting, January 31, 1984

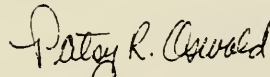
NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. HALSTED, AND  
UNANIMOUSLY CARRIED THAT RESOLUTION NO. 32-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried  
that the meeting be adjourned. The meeting adjourned at 4:35 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Patsy R. Oswald".

Patsy R. Oswald  
Secretary

APPROVED

February 14, 1984



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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
5TH DAY OF JUNE, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 5th day of June, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

DOCUMENTS DEPT.

APR 1 - 1985

and the following was absent:

H. Jesse Annette

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were James San Jule, Amancio G. Ergina, Sandy Mori, Amancio Ergina Village, Inc.; Ocie Mae Rogers, Charles Ryan, Anthony Morris, Bayview/Hunters Point Joint Housing Committee; Moni Richen, Beideman Area Neighborhood Group; Phil Westergaard, John Stewart, John Stewart Co.; Dr. Rhody A. McCoy, Future Perfect, Inc.; James Stratten, R & J Futuristic, Inc.; Mary Rogers, Western Addition Project Area Committee (WAPAC); Dale Husk, Anders Hench, Endicott Court; Art Chapman, Campeau; Grant DeHart, Heritage; Tom Leary, Palmisano; Dave Cincotta and Roy Chew, interested citizens.

Representing the press was Jim Kelly, San Francisco Progress.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of May 15, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. Newman, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of May 22, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (a) On June 7, Northridge Cooperative Homes, a 300 unit housing cooperative for families in Hunters Point, will be holding dedication ceremonies at One Ardath Court at 4:15 with a reception following at 4:45 p.m.
- (b) On June 8, Vanguard-Donsdale Associates will be holding their Ribbon Cutting Ceremonies at 11 a.m. at the corner of Van Ness Avenue and Turk Streets to commemorate the completion of their office building.
- (c) This year's San Francisco Fair will be held at Ft. Mason, from June 14 through June 17. The Agency will again participate with the focus being on the Yerba Buena Center. Coordination of that effort will be done by the Community Information Specialist, Pat Feinsilver.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a variance from the off-street parking requirements for Parcels 728-A, E & J, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 149-84 requests authorization of an off-street parking variance for the Amancio Ergina Village development for Parcels 728-A, E & J located on the southeast corner of Scott and O'Farrell Streets, Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. This development has had a long history and early this year the Board of Directors of Amancio Ergina Village reconstituted itself, by adding several people who are experienced in housing development and finance. The new Board, after having examined the project design and the construction documents and after considerable consultation with the community, contracted with Daniel Solomon and Associates to re-design the project so that it might be more architecturally compatible with the neighborhood. The redesign consists of 72 units in clusters of four and six-unit buildings and provides 72 parking spaces which is the number required by the A-2 Redevelopment Plan. However, in order for the project to be in total compliance, the developers have requested a parking variance which would allow 50 percent or 36 of the 72 required parking spaces for compact cars. The parking variance would provide the same percentage of compact spaces as permitted by the City Planning Code. Under the Planning Code, 50 percent or 36 of the 72 required parking spaces can be compact cars. The Redevelopment Plan permits only 11 of the 72 and that plan has not been updated in the area of parking requirements as regularly or as recently as the planning code, and that 11 of the 72 would be approximately 15 percent. The site planning to accommodate the 72 residential units and the requisite parking has been made considerably more difficult by the irregular site configuration, which is due to the location of adjacent existing rehabilitated

NEW BUSINESS (continued)

Victorian structures. As a result of that irregular configuration and of space consuming vehicular circulation systems which are required, more area was consumed than would otherwise be necessary.

Mr. James San Jule, Chairman of Amancio Ergina Village, Inc., indicated his support of this variance and noted it is an integral part of the overall plan for this development.

Mr. Hamilton indicated that though not substantive, it should be noted that the Notice of Public Hearing on the variance had a technical error which listed 32 spaces as being affected rather than the required 36.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

President Lee inquired why the Redevelopment Plan had not been updated and Mr. Hamilton indicated that normally the Agency does not go to the Board and ask for a Plan Change unless there is a significant general impact to be achieved and this is an area where it was not found necessary.

Mr. Newman inquired if a tenant does not have a compact car and only compact spaces are available, will they still be able to occupy a unit and Mr. Hamilton indicated he would assume they could occupy a unit, but there would be difficulty in space assignment. Experience has shown that the need for standard spaces beyond the 50% has not been evident given the high preference of compact cars in San Francisco.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 149-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 728-A, E & J, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 150-84 requests authorization of a Land Disposition Agreement with Amancio Ergina Village, Incorporated for Parcel 728-A, E & J, bounded by Ellis, Scott and O'Farrell Streets, Western Addition A-2.

- (c) Resolution No. 151-84 requests authorization to amend the 1984 City/Agency Agreement covering the expenditure of Community Development Block Grant Funds in connection with the development of Parcel 728-A, E & J located on the southeast corner of Scott and O'Farrell Streets, Western Addition A-2.



NEW BUSINESS (continued)

Mr. Hamilton reported on items (b) and (c) as follows. This housing development has been contemplated for over eight years, but for various reasons never reached fruition. However, since the reconstitution of the Board of Directors, the redesign of the development, the restructuring of the financing arrangements, it has moved forward rapidly, principally because of the new board led by Mr. James San Jule. The development will consist of 72 cooperative housing units. The Officers and Directors of this non-profit mutual benefit corporation are James San Jule, Chairman; Dr. Amancio Ergina, President; Ann Jarvis, Treasurer; Darla Farr, Rev. James McCray, Jr., Mary Ganotise, Essie Collins, Sandy Mori and Fanny McElroy. Those people have put in a good deal of volunteered time that is worth taking note of and commending. Long term financing is to be provided from the City's 1982 Single Family Mortgage Revenue bonds and the Developer expects to receive a construction loan from ILWU-PMA Pension Trust and the National Bank for Consumer Cooperatives. The Mayor's Office of Community Development (MOCD) has agreed to amend the 1984 City/Agency Agreement which will authorize the Agency to make a grant of \$714,000 from Community Development Block Grant funds to this Developer. The grant will be made upon the condition that the Developer provide MOCD with a marketing plan, operating budget and assurances that sales to cooperators which will be made subject to performance that will effectively provide for the continued occupancy by persons of low, moderate, and middle-income or that, in the alternative, the subsidy will be returned to MOCD. The LDA has been structured to reflect these conditions. The dates which are relevant are the Conveyance of the site no later than May 1, 1985 with completion of construction within one year.

Ms. Noni Richen, Chairman of the Beideman Area Neighborhood Group (BANG) indicated support of this development as it is now designed.

Ms. Sandy Mori, Board Member of Amancio Ergina Village, indicated that the Board had listened to not just one group, but various community groups in the Western Addition regarding the issues surrounding this development.

Mr. Anders Hench, Endicott Court, indicated his concerns regarding the design and President Lee indicated he would refer those concerns to the architect.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

President Lee inquired when construction would start and Mr. San Jule indicated they plan to start the first part of July of this year. Arrangements have been made with the Superintendent of Building Inspection, to use the fast track method.

NEW BUSINESS (continued)

Mr. Newman inquired about the prices of the units and Mr. San Jule indicated \$68,000 for a one bedroom, \$89,000 for a two bedroom, \$110,000 to \$112,000 for a three bedroom. Mr. Newman inquired about the financing for the purchaser and Mr. John Stewart. Stewart Company, indicated they will be using take out financing under the City's bond issue, which is a 90% loan at 10 3/4% for 30 years.

Ms. Berk noted she was glad to be here to vote on this project, because of what it had gone through and noted it is a happy day for all, wished the developer the best of everything and hoped all the neighbors feel good about this development.

Ms. Mary Rogers, WAPAC, inquired how other developers could offset their land costs as Amancio Ergina Village has done and Mr. Hamilton indicated that concurrence would have to come from the Office of Community Development, which in affect is the Mayor, to use Community Development money in that fashion.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 150-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 151-84 BE ADOPTED.

- (d) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel D, India Basin Industrial Park.

President Lee opened the Public Hearing to hear all persons interested in this matter.

Resolution No. 152-84 requests authorization of an LDA with Future Perfect, Inc. for Parcel D, located in the block bounded by Third and Newhall Streets and Evans and Galvez Avenues, India Basin Industrial Park.

Mr. Hamilton reported on item (d) as follows. In April, 1984, exclusive negotiations were authorized with Future Perfect, Inc. The Developers are presently constructing 67 single family market rate homes known as La Salle Heights. The Developer proposes to construct two stories of office and commercial space plus a partially depressed parking level. At the time exclusive negotiations were granted, there were several issues that needed to be resolved in order for staff to report favorably on the feasibility and desirability of proceeding with this proposal. First, the Developer's ability to bear the costs of relocating the utilities that run through the middle of the site. In that instance the Developer has provided a letter indicating an amount of \$450,000 sufficient to accomplish that purpose is built into the construction loan. Secondly, the Developer needed to demonstrate the ability to achieve the projected income from prospective tenants, plus the ability to obtain the necessary financing. In this connection he has provided letters of

NEW BUSINESS (continued)

interest from potential tenants and a conditional commitment letter from a savings and loan to provide financing. Thirdly, design acceptability of the proposed location of store fronts along the Third Street frontage. All of those concerns are to be resolved within 30 days after the Agreement's execution and it is believed that the requirements of exclusive negotiations have been met.

Mr. Anthony Morris, Executive Director of the Bayview Hunters Point Joint Housing Committee, indicated their concern that this developer demonstrate reasonable efforts to adhere to the Affirmative Action Program, which Program is an attachment to the LDA, in the employment and permanent job placement of Bayview Hunters Point residents during and upon completion of the project; with that consideration the Joint Housing Committee extends their support to Future Perfect and wishes them success.

Mr. Charles Ryan, Bayview Hunters Point Joint housing Committee, indicated support for the project.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

Mr. Newman noted that he would abstain from voting on this item due to a potential conflict.

ADOPTION: IT WAS MOVED BY MR KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 152-84 BE ADOPTED.

- (e) Resolution No. 153-84 requests authorization of a First Amendatory Agreement to the LDA with Daniel Hickey for Parcel I-2 located on the south side of Fairfax Avenue between Mendell and Keith Streets in the India Basin Industrial Park.

Mr. Hamilton reported on item (e) as follows. An LDA was authorized in August 1983 with Daniel Hickey for the development of a 31,000 square foot building containing offices, printing and related shipping facilities including parking and landscaped areas. Mr. Hickey is one of the owners of Minute Men Press, a printing firm; who was also authorized development rights for Parcel I-3 in October, 1983 to accommodate the broader scope of his operations. Because the Developer was attempting to obtain construction financing for both sites, which is expected to cost approximately \$3 million, he was unable to provide the required evidence of financing for Parcel I-2 by April 30, 1984. Following his failure to submit such evidence of financing, the Developer was placed into default and is now requesting an extension. The Developer is exploring two possible methods of financing: If he goes with Conventional financing he has stated that he would have to mortgage virtually all his assets to their maximum and although that is a possible solution, it is not one that he considers desirable. The second method would be conventional financing assisted by and with an Urban Development

NEW BUSINESS (continued)

Action Grant (UDAG). The Developer is discussing this possibility with the Mayor's Office of Housing and Economic Development which would potentially offer benefits not only to the Developer but also the City. Therefore, a 30 day extension is recommended during which time the benefits of a UDAG can be evaluated and the appropriate length of an extension to the performance schedule can be determined. The Schedule of Performance will extend the date of submission of Evidence of Financing from April 30 to July 5, 1984 and Conveyance of the Site from May 30 to August 8, 1984. This recommended extension will bring the performance schedules of both Parcels I-2 and I-3 into conformance.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 153-84 BE ADOPTED.

- (f) Resolution No. 154-84 requests authorization of a contract with Don Hillebrandt Associates, Geotechnical Consultants to conduct the necessary tests and prepare a soils investigation report in the Hunters Point II School Site at a cost not to exceed \$4,000.

Mr. Hamilton reported on item (f) as follows. The Hunters Point II School Site is a 2.57 acre parcel of land immediately adjacent to the Hunters Point Redevelopment Project Area. In 1981, the Commission authorized the Agency to initiate negotiations to purchase this surplus site for development consistent with nearby Agency and Housing Authority sponsored housing. The Agency and School District staff have carried out negotiations, however, no formal agreement has been reached on price and terms. A major consideration in determining the price is the impact that soils conditions may have on the cost of development. Visual observation suggests that there may have been a substantial amount of cut and fill activity when the Site was originally prepared for school use approximately 40 years ago. It is important to determine the amount of fill and the stability of the soil in order to establish the need for and estimated cost of pre-development site preparation work and/or need for special foundation design and therefore the likely added costs of future buildings. This information will also put staff in a better position to determine the value of the property and therefore to conclude purchase negotiations. The School District has agreed to reimburse the Agency for 50% of the cost of the soils investigation if the property is actually purchased by the Agency in the form of a deduction from the price of the property. Don Hillebrandt Associates has substantial experience in soils investigation work in Hunters Point and has carried out satisfactory work for the Agency on previous occasions. Funds are available from the Hunters Point Redevelopment Project budget.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 154-84 BE ADOPTED.



NEW BUSINESS (continued)

- (g) Resolution No. 155-84 requests authorization of a Janitorial Services Contract with Bay Area Janitorial and Maintenance Company to provide janitorial services at 939 Ellis Street for an additional year with an option to extend the contract for a second year.

Mr. Hamilton reported on item (g) as follows. Staff advised of an intent to renegotiate the janitorial services contract with the subject contractor, primarily because of the excellent services which have been provided, the reasonable cost of the services and the fact that they are a locally owned minority business enterprise. There were several changes in the scope of services with the most significant one being an annual steam cleaning of all the office carpets not now included in the semiannual steam cleaning of the high traffic areas, which amounts to a four percent increase. Staff has negotiated the new annual cost of the contract to be \$12,873.30 (\$1,072.78 per month). This represents a total increase of ten percent over the current rate, which includes the four percent increase for additional services and a six percent general cost increase. The proposed contract is for one year with an option for the Agency to extend the contract for an additional year at a cost increase not greater than the percentage increase in the San Francisco-Oakland Consumer Price Index for All Urban Consumers. If in the estimation of staff the resultant increase is too large and the compensation cannot be satisfactorially negotiated, the contract would expire at the end of the year and be re-bid.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 155-84 BE ADOPTED.

- (h) Resolution No. 156-84 request authorization of a new three year agreement with the Regents of the University of California for Agency participation in their work-study program and to expend \$6,500 for the time period of July 1, 1984 through June 30, 1985.

Mr. Hamilton reported on item (h) as follows. For the past several years, the Agency has participated in U.C. Berkeley's work-study program which allows students to earn money during school and to gain work experience in their fields of educational interest. During the past year, the Agency has used six interns in the Architecture, Engineering and Rehabilitation, and Finance and Administration divisions. The interns are assigned projects that will help them grow educationally as well as contribute to the overall efforts of the Agency by accomplishing work that would not be completed without their help. The Agency pay 50% of the wage with the remainder provided by the University through Federal Department of Education grants.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 156-84 BE ADOPTED.



NEW BUSINESS (continued)

- (i) Resolution No. 157-84 requests authorization of a Fourth Amendatory Agreement to the Personal Services Contract with Keyser/Marston Associates, Inc., in a amount not to exceed \$35,000 for the Yerba Buena Center.

Mr. Hamilton reported on item (i) as follows. Keyser/Marston Associates, Inc. has assisted the Agency in all aspects of the marketing and development of the Central Blocks of the Yerba Buena Center Project. They have provided Staff and the Commission financial analysis and economic review on an ongoing basis during the negotiation process. They have also assisted Staff in preparing a land valuation and economic model for the Central Blocks. They have been a part of the "core" negotiating team with the Agency and have been directly involved in negotiations with Olympia & York, Marriott. The extension of the negotiations has necessitated using Keyser/Marston's services to analyze many aspects of the project economics particularly those that relate to the definition and allocation of costs and the effect of these on a long term basis on the Agency's financial returns. In addition, it has been necessary to have tax increment projections refined and specialized analysis of QYM's financial status. Keyser/Marston has carried out these responsibilities quite efficiently, however, an analysis indicates an additional \$35,000 is needed to complete the approval process and to provide ongoing consultation during the D.D.A. execution. This increase would bring the total amount to \$247,000.

Mr. Newman noted that he would vote for this item with the understanding that this would be the last time and Mr. Hamilton indicated it is hoped this is the last time and staff will not be back with a request unless it is critical to do so.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 157-84 BE ADOPTED.

- (j) Resolution No. 158-84 requests authorization of an Owner Participation Agreement with Campeau South Beach Properties for development of Block 3789, Lots 1A, 12, 15, and 24 in the block surrounded by First, Brannan, Colin P. Kelly, Jr. and Townsend Streets in the Rincon Point-South Beach Redevelopment Project.

Mr. Hamilton reported on item (j) as follows. This is a significant development with a number of complex aspects. Mr. Frank Cannizzaro, Project Director, Rincon Point-South Beach, presented the issues and their status.

Mr. Cannizzaro reported that this development proposal reflects a great deal of hard work by the developer, Campeau, and Agency staff and could be characterized as a very significant development for the City and County of San Francisco. Basically, the program envisions the construction of approximately 402 housing units in three phases. The first phase would be 56 units, the second phase 116 units, and the third phase 230 units.

NEW BUSINESS (continued)

Out of that amount 21 units will be, in essence, donated back to the Agency at an affordable level and further the Agency would have the right to buy up to 50% of the units at a cost plus 15% basis. In addition to the housing, there is approximately 225,000 square feet of commercial space being developed which is estimated to net out at 191,000 square feet of rentable space. A part and parcel of that commercial development is the retention and the rehabilitation of the Oriental Warehouse. That will produce in the base building approximately 99,000 square feet of net rentable in the original building and approximately 14,500 square feet of net rentable on the roof. The amount of the roof addition was worked out after a series of conversations with the Landmarks Advisory Board and the Heritage Foundation and it is indicative of the reasonable amount of development that can take place on the roof. There are several design issues that have yet to be resolved as to the final architecture, but the request of the Commission is to approve an Owner Participation Agreement with a revised pre-preliminary set of drawings which deal with the heights and bulk and locations of the buildings on the site as reflected by the models. The key to this development proposal is an agreement on the Agency's part to purchase Lot 12 and then to allow Campeau to construct an office building of approximately 91,000 square feet to be constructed at the north side of the Oriental Warehouse. The Agency has agreed that by February 28, 1985, if the Agency is not able to make a firm commitment on that, then Campeau would have no obligation to perform under this Agreement. There is also a requirement in the Agreement that the Agency approve a boat-berth preference system for three years for Campeau up to a maximum of 42 berths, which were identified during the marketing studies as being essential to try to turn this area into a housing area. It is estimated that 15.9 to 22 million dollars of public expenditures might need to be expended on this project and it is further estimated that somewhere between 15.8 and 19.8 million dollars worth of revenues will be generated by the project. This means that tax allocations and/or CDBG grants and UDAG grants would need to be made available in order to discharge those obligations. Campeau has agreed to comply with the Agency's affirmative action program which is standard in all agreements.

Mr. Peter Clark, Campeau Corporation, introduced the development team.

The Commissioners commented on this development and remarked favorably on staff and Campeau's job of putting together this difficult financing package noting it is a key program for the City of San Francisco.

Mr. Hamilton also noted the tremendous work done by Mr. Cannizzaro and legal staff, which evidences an entrepreneurial capacity unique to this Agency, as no other entity in the City has the flexibility, both legally and structurally to do what this Agency has done.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 158-84 BE ADOPTED.

- (k) Resolution No. 159-84 requests authorization to establish Agency position classification and compensation schedules, effective July 1, 1984 through June 30, 1985.

Mr. Hamilton reported on item (k) as follows. The proposed salary schedules represent rates based upon previously established comparability, either by internal Agency salary relationships or by direct comparables with related City and County classifications. Changes in salary comparability relationships and/or titles are proposed for seven classifications with no adjustment in pay. Two new classifications are proposed. One is Reproduction Specialist, with the salary level still being worked out. It should be resolved in the next two months. The other new classification is Financial Systems Accountant based upon expected need and is recommended 5% over the City Class of Systems Accountant, as it also requires responsibility of investment of Agency funds. Also a change in the administrative provision of an increase in the bilingual compensation differential from \$15 to \$17 biweekly, which is in line with the City's present increase. Staff believes that the average 4.95 percent increase for Agency employees is appropriate and it is necessary in order to maintain competitive salaries. City and County employees have received approved increases that average 5.1 percent. The difference between Agency and City employees is a result of the different mix of employees and the different mix of classifications. As is normal practice, the salary proposals were made available to Agency staff for their comments and for them to request consideration of the salary levels and/or comparables. Several requests for consideration were received, all of which have been duly considered in the preparation of staff's recommendations.

Mr. Hamilton noted that Union Local 390/400 had submitted a letter that disagreed with the proposed title change of the sole incumbent of the position of Affirmative Action Assistant to Assistant Affirmative Action Specialist and requested the salary resolution be postponed until a resolution was reached. Staff believes the title change to be more descriptive of the work and also there would be no effect on seniority or bumping rights, no effect on bargaining unit working conditions, no effect on other bargaining unit classifications and no effect on salary. It is believed that after four weeks that more meet and confer sessions will not resolve the issue.

Mr. King inquired if the Union had been notified of this meeting and Mr. Hamilton indicated affirmatively and that they had submitted a letter, but had made no request to appear before the Commission.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 159-85 BE ADOPTED.

MATTERS NOT APPEARING ON THE AGENDA

- (a) Resolution No. 160-84 requests authorization to extend the date for conveyance of the site/close of escrow in the Land Disposition Agreement with Irene M. Liberman for Parcel 689-B, northeast corner of Gough and Post Streets in the Western Addition A-2.

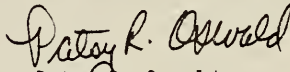
Mr. Hamilton reported on item (a) as follows. An LDA was approved in December 1982 with the developer who proposed to build a park for use of the elderly residents of her adjacent hotel. The development has been delayed because of problems in securing affirmative action approval. A 30-day extension would extend the conveyance date from May 23 to June 27, 1984.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 160-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:50 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

February 19, 1985

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6/12/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
12TH DAY OF JUNE 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:20 o'clock p.m. on the 12th day of June, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Walter S. Newman

DOCUMENTS DEPT.

JUL 19 1984

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and the following were absent:

H. Jesse Arnelle  
Haig Mardikian

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present was Ocie Mae Rogers, Bayview Hunters Point Joint Housing Committee.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of April 17, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On June 7, Northridge Cooperative Homes in Hunters Point was successfully dedicated.
- (b) On June 8, Ribbon Cutting Ceremonies were held by Vanguard-Donsdale Associates for their building at Van Ness and Turk Streets.
- (c) A reminder that the San Francisco Fair will begin this Thursday, June 14, and run through Sunday, June 17. The Agency's booths which will feature YBC this year are located at Pier 3.



NEW BUSINESS

- (a) Resolution No. 161-84 requests authorization to establish the employer contribution rates to the employee and retiree health plans, effective August 1, 1984.

Mr. Hamilton reported on item (a) as follows. Since the Agency contracted with the Public Employees Retirement System (PERS) in 1975, the Agency's employer contribution has been set at a level equal to the State's contribution to their employees' health plans, which for the past six or seven years has been based upon a formula written into State law that takes into account the weighted average cost of the largest statewide plans for employee and dependent coverage. Although the formula still exists in the law, the State has begun to negotiate these contribution levels with various State employee unions. In negotiations last year with Local 390/400 and Local 21, both Unions agreed that the Agency's contribution to the health plans would be at the level established by the State Law formula. If during the term of the Agreements, through 1985, this Section is changed or deleted, the Agreements would be reopened for negotiations of the Agency's contribution towards the health benefits coverage. The formula effective August 1, 1984 will provide as employer contributions for each month of coverage: Employee only, \$86; Employee and one dependent, \$167; and Employee and two dependents, \$209. Less is paid if the actual premium is under this amount. These rates represent approximately a 13 percent increase over the 1983-1984 rates. The PERS Board has expressed concern about the rising cost of medical care and they have undertaken several steps including a program of utilization review, offering of preferred provider health plan options, expected establishment of a self-funded consolidated fee-for-service plan effective August 1, 1985 and the development of a health education program for PERS members. Staff believes that the PERS administered health plans continue to provide the best option for medical coverage for our employees and is obtained for a lower cost than would be possible through a smaller Agency group.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 161-84 BE ADOPTED.

- (b) Resolution No. 162-84 requests authorization of a First Amendment to the Legal Services Agreement with Orrick, Herrington & Sutcliffe in the amount of \$74,127.14 for Bond Counsel Services for Yerba Buena Center.

Mr. Hamilton reported on item (b) as follows. In May, 1983, Orrick, Herrington and Sutcliffe were authorized as Bond Counsel regarding the issuance of tax-exempt financing to pay the balance of the GSA site acquisition costs and repayment of the HUD Loan and Grant Contract. At this time, \$22,000 remained in the firm's original contract and it was anticipated that would be reasonably sufficient to obtain the necessary bond counsel services for what was then anticipated to be a relatively straightforward

NEW BUSINESS (continued)

tax-exempt bond issue. The Bank of America's proposal for the issuance and public sale of the \$28,000,000 liquidity facility revenue bonds involved a highly complex and unusual transaction and resulted in the Agency being able to obtain the needed funds at a very low initial financing cost and at an effective ongoing interest rate of 68% of the prime rate. However, this particular transaction, because of its novelty, involved an enormous amount of legal work, which went far beyond the previous estimate of time required. Also, because of time constraints imposed by the necessity to acquire the GSA site, time became of the essence and preparation of issuance documents at a normal pace was not possible. The amount of legal services were further increased by the last-minute technical problems that required the Agency to postpone the original bond sale date and republish notice for a sale two weeks later. \$14,500 of the requested amount will cover the Orrick firm's disbursements that included publications of notice of sale in the Wall Street Journal. Also, this firm has generously agreed to reduce its billing for professional services by \$15,000. Though the amount of increase is still comparatively high in relation to the original contract, their services were necessary and they did result in very favorable financing terms for the Agency. There are sufficient funds from bond proceeds and Community Development funds to cover this requested increase.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 162-84 BE ADOPTED.

- (c) Resolution No. 163-84 requests authorization of a Small Craft Harbor Construction Loan and Operation Contract with the California Department of Boating and Waterways in the Rincon Point-South Beach Redevelopment Project Area.

Mr. Hamilton reported on item (c) as follows. In June, 1982, a loan application in the amount of \$8,000,000 was submitted to the California Department of Boating and Waterways for development of the South Beach Small Boat Harbor and Park. Since that time, staff has refined the development plans for the harbor and completed negotiations with Cal Boating for a Loan and Operation Contract which will initially be for \$4.5 million at 7.9% on the unpaid balance. This will be increased up to \$8 million as the California Legislature approves additional funds for the project. During Fiscal year 1984/1985 another \$1.5 million will be made available and the remaining \$2 million in 1985/1986.

Mr. Frank Cannizzaro, Project Director, Rincon Point-South Beach, presented the terms of the loan and other economic considerations. He also noted that at the time the memorandum regarding this item was sent to the Commission it was not known whether or not there was a need to have the City & County of San Francisco shown as a co-borrower with the Agency. The latest information from Cal Boating is an affirmative, because the legislation they have to work with does not specifically mention

NEW BUSINESS (continued)

agencies. This means that after Commission approval, staff will proceed to the Board of Supervisors for their approval, as well as in subsequent years for amendments to the loan.

Mr. Newman inquired if the Agency would proceed with the boat harbor in its entirety regardless of what happens across the Embarcadero and Mr. Cannizzaro indicated affirmatively with some caveats. As a general premises the harbor and park project stands on its own regardless of what happens across the Embarcadero. The second phase will include rehabilitation of Pier 40 and an agreement with the Port relative to the relocation of the tenant on Pier 40. So, the project not only does not hinge on what happens across the Embarcadero, the first phase of the project will be such that it won't hinge on the construction of the pier as well. It is believed that the full \$8 million can be used for the first phase and that will significantly enhance the financability of the project. Mr. Newman inquired, assuming the worst, if Campeau and the others did not go ahead, would there be sufficient funds from the income of the boat harbor to service the bonds necessary to build it and Mr. Cannizzaro indicated affirmatively.

President Lee inquired if 7.9% is the standard rate for all borrowers and Mr. Cannizzaro indicated it is Cal Boating's current rate.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 163-84 BE ADOPTED.

- (d) Resolution No. 164-84 requests authorization to extend the date for Conveyance of the Site in the Land Disposition Agreement with Jack Bodeewes Associates, Inc. for Parcel B-8 located on the northwest corner of Jennings and Newhall Streets in the India Basin Industrial Park.

Mr. Hamilton reported on item (d) as follows. An LDA was authorized in October, 1983 with the developer who proposes to construct a building containing a showroom/office, shipping, loading and unloading facilities. Prerequisites to permit conveyance of the site have been met and were placed into escrow and conveyance was imminent. Unfortunately, a labor dispute has developed in the concrete industry and the Developer has requested that conveyance be delayed. Since it cannot be predicted when the labor dispute will be resolved, staff recommends an extension of Conveyance of the Site from June 13, 1984 to July 18, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 164-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 165-84 requests authorization to extend for 60 days a previously approved Permit to Enter with O & Y Equity Corp./Marriott Corp./Beverly Willis (OYM) for purposes of demolition and site clearance of the former GSA building at 49 Fourth Street in Yerba Buena Center.

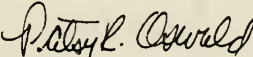
Mr. Hamilton reported on item (a) as follows. A Permit to enter was authorized in December 1983, which was requested by OYM acting through Marriott Corporation, plus entry to an adjacent 10,000 square foot parcel for the demolition contractor's equipment. (They are paying the Agency for the lost parking revenues of \$10,000 per month.) The demolition was to be completed June 15, however due to a change in the demolition plan, they are requesting an additional 60 days. The terms and conditions of the Permit would remain the same.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 165-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:43 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

July 10, 1984





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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
19TH DAY OF JUNE 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 19th day of June, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following were absent:

Leroy King, Vice President  
H. Jesse Arnelle

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The President declared a quorum present.

Redmond F. Kernan, Acting Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Mark D. Nolfi, Homewood Builders, Ltd.; Adrian L. Nolfi and Stephen Byers, interested citizens.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director, Redmond F. Kernan reported to the Commissioners on the following matters:

- (a) Mr. Hamilton is at a hearing of the Board of Supervisors' Planning Housing and Development Committee this afternoon. The Committee is considering two items that concern the Agency. One is a hearing on El Bethel Arms Apartments, calendared as a possible sale to developers and the other is a hearing on Parcel 714-A, which is the Myrtle Sweet/Van Ness Avenue property being developed by Mo Bernstein, Donald Sweet and Ben Hom. Mr. Hamilton will be there until the matter is concluded.
- (b) The Agency's booths at the San Francisco Fair this past week focused on YBC with the model of the proposed Central Blocks as the main attraction. Positive comments were received from many people who stopped to view the model and ask questions about the project. Ms. Pat Feinsilver, Community Information Specialist, who coordinated this special event and those staff persons who participated did an excellent job in presenting YBC to the public.

REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (c) Jones Memorial Homes had their ribbon cutting ceremonies on Sunday for the 51 Senior Citizens housing units at Post and Fillmore Streets. This is the final phase for a total of 186 units of housing for the elderly sponsored by Jones Methodist Church. Supervisor Kennedy was in attendance as well as the Project Manager for A-2, Mr. Gene Suttle.
- (d) On Saturday and Sunday a successful Juneteenth Festival was held starting with a parade at Golden Gate Park and ending at the Fillmore Center.
- (e) The Safeway Fillmore Store has been open for approximately 8 months and since that time, we are happy to report, 14 individuals have been hired from the Western Addition, 13 were minorities. This is over and above those 51 individuals who were hired through the pre-training program of 1982.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the conveyance of Parcel 688-C(4), 1406-1408 Post Street, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 166-84 requests authorization of a Land Disposition Agreement with Fidelity Investment and Security Corporation (Clarence Stern), a Western Addition A-2 Business Certificate of Preference Holder and Adrian and Olga Nolfi for the purchase and rehabilitation of Parcel 688-C(4), 1406-1408 Post Street in the Western Addition A-2.

Mr. Kernan reported on item (a) as follows. In January, 1984, exclusive negotiations were authorized with developers who propose to rehabilitate this two-unit Victorian as a market-rate rental project comprised of two 4-bedroom units. Both Mr. Stern and the Nolfis have submitted evidence of their financial capacity and experience to undertake the successful completion of the rehabilitation of the property. In particular, Mr. Nolfi is Vice President and co-founder of Homewood Builders, Ltd. of San Francisco which has contracted for numerous other rehabilitation projects. The key performance dates will be to submit Evidence of Financing by November 27, 1984 and Conveyance of the Site by February 12, 1985.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 166-84 BE ADOPTED.

NEW BUSINESS (continued)

- (b) Public Hearing to hear all persons interested in the conveyance of Parcel 728-K, 1335 Pierce Street, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 167-84 requests authorization of a Land Disposition Agreement with Stephen Byers and Catherine Groody for the purchase and rehabilitation of Parcel 728-K, 1335 Pierce Street in the Western Addition A-2.

Mr. Kernan reported on item (b) as follows. In March 1984, exclusive negotiations were authorized with the developers who propose to rehabilitate this three-story single family Italianate Victorian for their own occupancy. The developers have submitted sufficient evidence of financial capacity and experience to undertake the successful completion of the rehabilitation of the property. Mr. Byers has had approximately ten years experience in the building industry as a brick mason. Certified in England, he has been a member of the San Francisco Brickmasons Union for over five years. The key performance dates will be to submit Evidence of Financing by January 1985 and Conveyance of the Site by March 26, 1985.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 167-84 BE ADOPTED.

- (c) Resolution No. 168-84 requests authorization of a Letter Agreement in an amount not to exceed \$70,000 for building inspection services with the Department of Public Works in the Western Addition A-2, Yerba Buena Center and Rincon Point/South Beach Redevelopment Project Areas.

Mr. Kernan reported on item (c) as follows. The Redevelopment Plans for each of the designated project areas require that the Agency perform comprehensive property inspections for all structures proposed to be retained and rehabilitated. These inspections are performed by staff rehabilitation counselors working as a team with City Inspectors from the Bureau of Building Inspection. The knowledge, familiarity and authority of the City Inspectors regarding City codes are combined with Agency staff's knowledge of construction, construction costs and Agency rehabilitation standards to assure both a thorough property inspection and a reliable statement of anticipated rehabilitation costs. The Letter Agreement will provide for the services of one building inspector full time, one electrical inspector, and one plumbing inspector as needed, for a period of one year commencing July 1, 1984 through June 30, 1985. The funds for this contract will be allocated as follows: Western Addition A-2, \$50,000; Yerba Buena Center, \$10,000; and Rincon Point/South Beach, \$10,000.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 168-84 BE ADOPTED.

- (d) Resolution No. 169-84 requests authorization for Helen Sause, Project Director, Yerba Buena Center, to travel to Toronto to attend the NAHRO Board of Directors' meeting being held August 3 through August 5, 1984.

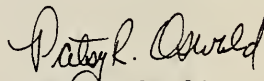
Mr. Kernan reported on item (d) as follows. This travel is necessary for Mrs. Sause to attend this meeting in her capacity as a member of the National Board of Governors. The Board of Governors' business meeting concerns a number of major policy issues pertaining to CDBG funding levels and regulations, the rental rehabilitation program, the housing production program and eligibility criteria for cities, and the Uniform Relocation Act. There are also several significant policy issues the Board of Governors must consider for the continued effective functioning of the NAHRO organization. In addition, representatives of the Canadian government's housing and development programs have invited the Board of Governors' members to join them for discussion on issues of mutual interest. In her capacity as NAHRO Vice President of Community Revitalization and Development, Mrs. Sause will Chair the Panel "Trends in City Center Shopping, Working, Living", and will also attend the session "Trends in Utilizing the Existing Assisted House Stock". This trip will also permit Mrs. Sause to meet with the Olympia & York development and design team and the Harbourfront staff to discuss issues pertaining to the Yerba Buena Center program development. If there are any critical issues being considered which affect the Yerba Buena Center project, Mrs. Sause will not undertake this travel. The cost to the Agency, including air fare, hotel, and per diem, will not exceed \$980.00.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 169-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:20 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

July 10, 1984

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
26TH DAY OF JUNE 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 26th day of June, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

H. Jesse Anelle

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Anthony L. Morris, Bayview Hunters Point Joint Housing Committee; Dr. George Davis, Bayview Hunters Point Senior Center; Dick Smith, Lou Sherriffe, BARCO Developers; Bill Barker, SOCO Development; and Marvin Robinson, Butler's Amusement Park.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The Board of Supervisors on roll call at yesterday's meeting voted unanimously to authorize the Mayor to enter into a loan agreement with the California Department of Boating and Waterways for \$4.5 million. This action was critical to securing this first increment of a \$8 million loan for the development of the South Beach Small Boat Harbor. Action by the City was necessary by June 30 or the funds would have reverted to Cal Boating.
- (b) There will be a continual public open house display and slide show on the Yerba Buena Gardens through Sunday from 11 a.m. to 7 p.m. at the Apparel Mart at Fourth and Market Streets. This is the continuing effort to expose the public to the Yerba Buena Gardens development plans and program. Last night there was a meeting with the Affirmative Action groups in the City, who are interested in participating in and monitoring the job opportunities generated in Yerba Buena Center.



NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel AA-2; Hunters Point.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 175-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with BARCO Developers for the development of Parcel AA-2, located on the north side of Keith Street between Fairfax and Hudson Avenue in Hunters Point.

Mr. Hamilton reported on item (a) as follows. An LDA was authorized in April, 1983. These developers propose to build sixty-seven market-rate units. The developers had previously proposed to build seventy units, but a subsequent study has indicated that the additional three units are not cost effective for various reasons, among them the topography of the site. The new Land Disposition price of \$335,000 reflects the reduction. Should this not be conveyed on a timely basis, reappraisal of the land will be necessary on October 12, 1984. However, the developer expects conveyance by October 10, 1984. The developer has met with the Board of Directors of the Bayview Hunters Point Joint Housing Committee which favorably endorses the project.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 175-84 BE ADOPTED.

- (b) Resolution No. 170-84 requests authorization to pay \$24,590 to Kindler & Laucci Insurance Brokers for all risks coverage except earthquake, war, flood and nuclear on twenty-two of the Agency's buildings to be rehabilitated, valued at \$5,465,000 for a one-year term.

Mr. Hamilton reported on item (b) as follows. Earlier this month proposals were solicited and three bids were received. Kindler and Laucci Insurance Brokers submitted the lowest quotation which met all of the bid requirements. The insurance carrier is Canadian Indemnity Company, which has an excellent rating.

President Lee and Ms. Berk expressed concern about the large difference in premiums between the low bidder and second bidder and suggested staff solicit more proposals. Mr. Hamilton indicated that Kindler and Laucci are standing behind their quote. Also, staff did the normal broad solicitation and only three brokers responded.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 170-84 BE ADOPTED.

NEW BUSINESS (continued)

- (c) Resolution No. 171-84 requests authorization to amend the existing Letter Agreement with the Department of Public Works for rehousing Inspection Services needed for the Agency's relocation programs.

Mr. Hamilton reported on item (c) as follows. As of May 30, 1984, approximately \$8,685 of \$12,250 remains in the original Letter Agreement that was approved in June 1983. This Agreement expires on June 30, 1984. This amendment would extend the Agreement until the remaining funds have been expended. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 require that displaced persons be relocated to decent, safe and sanitary housing. To achieve this, experienced environmental inspectors, familiar with local housing codes, thoroughly inspect all potential units to be used by displaced households to assure they meet those requirements. Should additional funds be required, a new Letter Agreement will be forwarded for approval.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 171-84 BE ADOPTED.

- (d) Resolution No. 172-84 commends and expresses appreciation to Zita McDonnell Hughes for her service upon the occasion of her retirement from the Redevelopment Agency.

At this time Ms. Berk read the resolution into the record and President Lee expressed appreciation of Ms. Hughes' service to the Agency.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 172-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 173-84 requests authorization of a Permit to Enter with Marvin Robinson and Butler's Amusement Park for the Use of Cleared Agency-owned land in Parcel D, bounded by Third Street, Evans Avenue, Newhall Street, and Galvez Avenue in the India Basin Industrial Park.

Mr. Hamilton reported on item (a) as follows. Mr. Marvin Robinson and Butler's Amusement Park are the joint sponsors of operating a carnival, consisting of rides, games and food booths, from July 4th through July 8th, 1984. The sponsors will, as required, obtain \$5 million Property Damage and Liability Insurance, provide 24-hour security guard service and will clean up the area after the conclusion of their activities. Future Perfect, the developer of this parcel has been contacted and they have indicated no objection to this use since it will not interfere with the planned development of the site. Staff recommends that the use of this parcel be rent-free since the proceeds are being donated to the Bayview Hunters Point Senior

MATTERS NOT APPEARING ON AGENDA (continued)

Citizens Center, a very active and highly effective non-profit community organization. The proposed interim use is in conformity with adopted Agency policy.

Mr. Anthony Morris, Executive Director, Bayview Hunters Point Joint Housing Committee, indicated support for this event.

Mr. Newman inquired if Butler's Amusement Park is professionally run and Mr. Marvin Robinson indicated affirmatively.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 173-84 BE ADOPTED.

- (b) Resolution No. 174-84 requests authorization to extend the Date for Conveyance of Site and Close of Escrow in the Land Disposition Agreement with SOCA Development Company for the development of Site S-4, Lot 5, located on Carpenter Court off Whitney Young Circle in the Hunters Point Approved Redevelopment Project Area.


Mr. Hamilton reported on item (b) as follows. LDA's were authorized with sixteen developers for the development of single-family homes on selected lots within Site S-4 who were selected from an Agency offering offered exclusively to Hunters Point "Certificate" holders or residents of the Hunters Point Bayview area. The Developer was unable to meet the prerequisites for conveyance by the June 20, 1984 date which have now been met and are ready to be placed into escrow and conveyance is imminent. Staff recommends an extension of the date for Conveyance of Site and Close of Escrow until August 1, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 174-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. King, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:25 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

July 10, 1984

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
10TH DAY OF JULY 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:20 o'clock p.m. on the 10th day of July, 1984, the place and date duly established for the holding of such meeting.

The Acting President called the meeting to order and on roll call the following answered present:

Leroy King, Acting President  
H. Jesse Arnelle  
Charlotte Berk  
Haig Mardikian

and the following was absent:

Melvin D. Lee, President  
Walter S. Newman

The Acting President declared a quorum present.

Redmond F. Kernan, Acting Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Bayview Hunters Point Joint Housing Committee; Don Houston, Alamo Associates; Ricky Ho, Gilbert Chan, Urban Designs; Warren Seeto, WQS Investments, Inc.; Joe Skiffer, Bushmoor Associates; Irene & Herman Yarbrough, Lillie Collins, Roy Chew and Harold Bexton, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. Mardikian, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of June 12, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the minutes of the regular meeting of June 19, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. Mardikian, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of June 26, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director, Redmond F. Kernan, reported to the Commissioners on the following matters:

- (a) Mr. Hamilton is on vacation and will return to the office July 16.
- (b) The lottery for the six condominium units on Hollis Court in the Western Addition was held Friday. The successful lottery winners will be attending an Open House of those units this Saturday, July 14 to inspect the available units and state their preferences.
- (c) Tonight at 7:30 p.m. a Public Hearing will be held by the Mayor's Office of Housing and Economic Development on the proposed applications for the Urban Development Action Grants (UDAG) for a parcel in India Basin under an LDA with Daniel Hickey, one of the owners of Minute Men Press. This is also the subject of item (i) and (j) on tonight's agenda. The other UDAG is in connection with the Campeau development in Rincon Point-South Beach. The Board of Supervisors' Planning, Housing and Development Committee will consider this item on July 17 and the full Board of Supervisors will consider it on July 23, 1984.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in Assignment of Interest in the Land Disposition Agreement for Parcel 678-C(2); Western Addition A-2.

Acting President King, opened the public hearing to hear all persons interested in this matter.

Mr. Kernan reported on item (a) as follows. This item requests authorization to assign the interest in the LDA with Suttermore Corporation to Alca Land Corporation, an easement, and a Sixth Amendatory Agreement with both corporations in connection with the parcel located on the north side of Sutter between Fillmore and Steiner Streets in the Western Addition A-2. The developers have experienced an unexpected delay and have requested a two-week extension to allow time to finalize their negotiations. Therefore, it is requested that the Public Hearing and action on this item be continued until the meeting of July 24, 1984.

RULE OF THE CHAIR: Acting President King indicated that subject to the objection of any Commissioner that the Public Hearing and action on item (a) would be continued for two weeks at the Developer's request. There being no objection it was so ordered.

- (b) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 688-C(1), 1401-05 Gough Street; Western Addition A-2.



NEW BUSINESS (continued)

Acting President King, opened the public hearing to hear all persons interested in this matter.

Resolution No. 176-84 requests authorization of a Land Disposition Agreement with Herman and Irene Yarbrough and Lillie Collins for the purchase and rehabilitation of the building located at 1401-05 Gough Street in the Western Addition A-2.

Mr. Kernan, reported on item (b) as follows. Exclusive Negotiations were authorized in February, 1984 with the developers who propose to rehabilitate this three-unit Victorian into five residential condominium units. At the Yarbrough's request, Lillie Collins, their daughter, will be included in joint ownership of the property. This market-rate condominium project will be bound by the Agency's Profit Limitation/Sharing provision of 50 percent of all profits in excess of 20 percent of the Allowed Development Costs. The developers have submitted sufficient evidence of their financial capacity and development experience and the key performance dates in the LDA are submission of evidence of financing by January 29, 1985, and conveyance of the site by April 16, 1985.

There being no persons wishing to appear regarding this matter, the Acting President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 176-84 BE ADOPTED.

- (c) Resolution No. 177-84 requests authorization of an Owner Participation Agreement with Herman and Irene Yarbrough for the property located at 2072 Ellis Street in the Western Addition A-2.

Mr. Kernan, reported on item (c) as follows. This two-story single-family wood-framed structure built in 1900 is currently occupied by the Owners. In May, 1984, an inspection survey of the property was made by staff and a City building inspector that identified two minor deficiencies, which will be corrected under the terms of the OPA, requiring the Owners to obtain a building permit to complete the construction of a rear deck and stairs; and to install a hand-railing at the front entry stairs. Upon completion of the rehabilitation work this property will conform to the Agency's Standards and the City's Codes and contribute to the further enhancement of the Western Addition Area.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 177-84 BE ADOPTED.

- (d) Resolution No. 178-84 requests authorization to enter into Exclusive Negotiations until October 10, 1984, with Gilbert Chan, Don Houston, Warren Seeto and Ben Williams for development of

NEW BUSINESS (continued)

Parcel 774-B located on the northeast corner of Steiner and McAllister Streets in the Western Addition A-2.

Mr. Kernan, reported on item (d) as follows. In June, 1982, the Commission authorized the negotiated sale of 12 vacant sites in the Western Addition containing less than 10,000 square feet. Prospective developers were notified of the availability of these sites by two mailings, one to certificate of preference holders only. Proposals were submitted in March, 1983 from two developers which were incomplete with regard to evidence of financing capacity. The developers were requested to complete them and Mr. Chan and his group have provided a completed proposal. The developers propose to build 12 two-bedroom, 2-bath market-rate condominiums. The developers plan to form Alamo Associates, a limited partnership consisting of the general partners; AND Enterprises, Gilbert Chan, President; WQS Investments, Warren Seeto, President; and Don Houston and Ben Williams, a Certificate of Preference Holder, as individuals. The partnership members have evidenced sufficient development experience to accomplish the development. AND Enterprises is a profit making offshoot of Asian Neighborhood Design and will be architects for the proposed development. A presentation has been made to WAPAC which supports this proposal.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 178-84 BE ADOPTED.

- (e) Resolution No. 179-84 requests authorization to amend the date for Conveyance of the Site under the First Amendatory Agreement to the Land Disposition Agreement for Rehabilitation with Alonza and Rebecca Reese for the building at 1909-1911 Ellis Street in the Western Addition A-2.

Mr. Kernan, reported on item (e) as follows. An LDA was authorized in September, 1983 with the developers for the purchase and rehabilitation of 1909-1911 Ellis Street as two residential dwelling units. The First Amendatory Agreement approved in March, 1984 extended the dates for submission of evidence of financing and the conveyance date. The developers have obtained a firm loan commitment for the project from Eureka Federal Savings, however, they were unable to meet the June 26th conveyance date due to their contractor's inability to obtain a performance bond for the full value of the rehabilitation work. The developers are presently evaluating alternative bids from two general contractors who have satisfactorily completed other rehabilitation work for the Agency and an extension to July 26, 1984 will allow time to review and accept an alternate bid and allow the successful contractor to secure the necessary performance bonds.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 179-84 BE ADOPTED.

NEW BUSINESS (continued)

- (f) Resolution No. 180-84 requests authorization of a Permit to Enter Agreement with New Life Deliverance Center for the use of the parcel bounded by Fillmore, Steiner, Turk and Eddy Streets in the Western Addition A-2.

Mr. Kernan, reported on item (f) as follows. The Church's intention was to conduct a 14-day Public Revival Meeting. However, staff was informed yesterday by the Church that the services have been put off indefinitely. Therefore, no action is required on this item.

RULE OF THE CHAIR: Acting President King indicated that subject to the objection of any Commissioner that no action would be taken on item (f). There being no objection it was so ordered.

- (g) Resolution No. 181-84 requests authorization of a Rental Agreement with Suttermore Corporation for the purpose of providing off-street parking for construction employees on a portion of the parcel located on the east side of Steiner Street between Sutter and Post Streets in the Western Addition A-2.

Acting Director, Mr. Kernan, reported on item (g) as follows. Suttermore Corporation is developing 68 residential condominiums and a 15,000 square foot commercial/office building known as Sutter Park West. The subject parcel is directly across Sutter Street from the Sutter Park West construction and would be needed for 8 to 10 months or until the development is completed. The streets in the area are presently heavily congested as a result of on-street parking, bus traffic and construction trailers. Suttermore's use of this parcel will help to relieve this problem and they have agreed to abate any dust problems that may arise and fence off the portion that is not being utilized for parking. Tenancy will be month-to-month at a rental rate of \$300 per month which is comparable to what other contractors have paid for rental of land for construction purposes.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 181-84 BE ADOPTED.

- (h) Resolution No. 182-84 requests authorization to amend Developer's Agreements relating to the Redevelopment Agency's Residential Mortgage Revenue Bonds, 1984 Issue; Western Addition A-2 and Hunters Point.

Mr. Kernan, reported on item (h) as follows. The Agreements are between the Redevelopment Agency and four developers: Bushmoor Associates; R. & J. Futuristic, Inc.; Suttermore Corporation; and Kimball Park Corporation. The developers have elected to collect participation fees due them under the Developer's Agreement by making demand for them in the escrows connected with dwelling unit sales. This procedure requires amendment of the developers' agreement; however, bond counsel has assured that this does not

NEW BUSINESS (continued)

materially affect any right of the issuer. Also, it does not provide the developer with any new profit or return not contemplated in sale of the property for development to the developers. The procedure is merely a convenience; however, it must be formally approved by the issuer since it was not made part of the developers' agreement at the time of issue.

Ms. Berk requested an explanation of this item and Mr. Doug Myers, Development Coordinator, indicated that participation fees are fees that the developer pays for a Bond Issue. The developer can collect these fees as he chooses and has decided to collect them through escrow along with the closing costs. Approval of Amendments to the Developer's Agreement would allow that to happen.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 182-84 BE ADOPTED.

- (i) and (j) (i) Resolution No. 183-84 requests authorization of a Second Amendatory Agreement to the Land Disposition Agreement for Parcel I-2 with Daniel Hickey and (j) Resolution No. 184-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with Daniel Hickey for Parcel I-3. Both parcels are located on the south side of Fairfax Avenue between Mendell and Keith Streets in the India Basin Industrial Park.

Mr. Kernan, reported on items (i) and (j) as follows. LDA's were authorized in August, 1983 for Parcel I-2 and October, 1983 for Parcel I-3 with Daniel Hickey for the development of two buildings containing offices, printing and related shipping facilities including parking and landscaped areas. A First Amendatory Agreement was authorized in June, 1984 revising the performance schedule to permit staff to evaluate the benefits of conventional financing of both parcels assisted with an Urban Development Action Grant (UDAG). Staff has determined that UDAG-assisted financing will be beneficial to both the developer and the City. The Mayor's Office of Housing and Economic Development is holding a hearing today to determine the need for this economic development and the Board of Supervisors' Planning, Housing and Development Committee will consider a Resolution to apply for and accept a UDAG for this development on July 17, 1984. The full Board of Supervisors will consider this resolution on July 23. Concurrent with this process, staff will finalize the terms of this UDAG application with the Mayor's Office of Housing and Economic Development. The UDAG process could involve possible delays outside the control of the Agency. For this reason, the UDAG is viewed as a contingency of fall-back scenario of financing and because of this uncertainty, Mr. Hickey will continue to explore conventional financing. To seek UDAG-assisted method of conventional financing Mr. Hickey will



NEW BUSINESS (continued)

need a revision of the performance schedules for each LDA to change the submission of evidence of financing from July 5, 1984 to January 9, 1985 and conveyance of site from August 8, 1984 to February 13, 1985.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 183-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 184-84 BE ADOPTED.

- (k) and (l) (k) Resolution Nos. 185-84 through and including 190-84 requests authorization to amend Personal Services Contracts for reuse appraisal services with Rudolph Barker, Jayson Bryant, Ray Carlisle, Marshall & Stevens, Inc., Mill-Carneghi and James Porter for all project areas except Rincon Point-South Beach and (l) Resolution No. 191-84 requests authorization of a Personal Services Contract for reuse appraisal services with Steven Chan for all project areas.

Mr. Kernan, reported on items (k) and (l) as follows. Staff believes it a prudent practice to obtain two appraisals of properties to be sold by the Agency. If the value of a parcel is estimated to be less than \$25,000 one of these appraisals may be performed by a staff appraiser. Where the value exceeds \$25,000, two appraisals by professional appraisers in private practice are obtained. A panel of six appraisers has been established to ensure that the Agency's need for appraisals can be met in a timely manner. Mills-Carneghi, Inc. and James A Porter have persons with the designation M.A.I. which is awarded by the American Institute of Real Estate Appraisal to appraisers who undergo a vigorous program of education and experience. Persons with this designation are highly respected and are utilized to perform more complex analysis of value. Staff, therefore, recommends the addition of Steven Chan, M.A.I. to the panel of appraisers which will make available, three appraisers to perform highly complex appraisals and with Mr. Chan's addition, five minority appraisers will be on the panel. It is anticipated that 53 parcels will require 2 appraisals. Depending on their complexity, the cost per parcel ranges from \$750 to \$1,500. Therefore, for 106 appraisals, staff estimates a total cost of \$125,000 from the six current panel members and addition of the new recommended appraiser.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NOS. 185-84 THROUGH AND INCLUDING 190-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 191-84 BE ADOPTED.



Minutes of a Regular Meeting, July 10, 1984

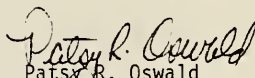
MATTERS NOT APPEARING ON AGENDA

- (a) Mr. Leo Borregard, Agency General Counsel, introduced Mr. William Beckman to the Commissioners as the latest person to join the Agency's Legal Division.

ADJOURNMENT

It was moved by Mr. Mardikian, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:40 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

July 17, 1984

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
17TH DAY OF JULY 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 17th day of July, 1984, the place and date duly established for the holding of such meeting.

The Acting President called the meeting to order and on roll call the following answered present:

Leroy King, Acting President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

DOCUMENTS DEPT.

AUG 29 1984

and the following were absent:

Melvin D. Lee, President  
H. Jesse Arnelle

SAN FRANCISCO  
PUBLIC LIBRARY

The Acting President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Janey Egana, Wayne Osahi, JCCNC; Rhody McCoy III, Dr. Rhody McCoy, M. James Stratten, R & J Futuristic; Curtis Poon, UC Construction; Martha Simmon, B.D.I.; Roslyn Baltimore, Eddy Place Assn.; Nolan Frank, L.J.X.F. Development Co.; Ocie Mae Rogers, Joint Housing Committee; Mary Rogers, Western Addition Project Area Committee (WAPAC); Janet Roche, Daniel Solomon, Developers; Simon C. Brown and Greg Best, interested citizens.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of April 10, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. Mardikian, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of July 10, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matter:

- (a) On Friday, July 27, at 4 p.m. there will be a ground breaking for the start of construction of Amancio Ergina Village, a 72 unit moderate income residential development in the Western Addition. The ceremony will be held at the corner of Ellis and Scott Streets.

NEW BUSINESS

- (a) Public hearing to hear all persons interested in the conveyance of Parcel 1127-L; Western Addition A-2.

Acting President King opened the public hearing to hear all persons interested in this matter.

Resolution No. 192-84 requests authorization of a Land Disposition Agreement with Ellis Street Associates, Ltd., for purchase and rehabilitation of Parcel 1127-L, 1917 Ellis Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. Since Exclusive Negotiations were authorized in April of this year, the developers submitted schematic architectural plans that were not signed by a licensed architect. Though reviewed by staff, the developers were informed they needed corrections to the plans and required that a licensed architect come in and sign the plans. Exclusive Negotiations then expired and the developers made no attempt to respond to the ongoing staff concerns. Staff then disapproved the submitted plans in light of the fact that they were not submitted as required by a licensed architect. Mr. Craig Martin of Ellis Street Associates recently indicated that the person who prepared the plans is not a licensed architect but they would provide one who would submit acceptable plans. Also, there is an issue regarding the disposition price of the parcel. Staff believes the disposition price should be the price bid \$125,099.99. The minimum fair reuse value of the parcel when it was offered was certified at \$97,000 and this was the price erroneously set in the published public hearing. Mr. Wilder has in writing conveyed his understanding that exclusive negotiations have expired but that he is still interested in proceeding with the purchase of the property. He requested re-entering into exclusive negotiations for 90 days in which time he believes he will be able to submit an acceptable proposal. He has also verbally indicated that a disposition price of \$125,099.99 is acceptable. In view of the lack of approved schematic plans and the need to reflect the appropriate disposition price in the LDA, staff recommends that the public hearing not be held. Staff will advise within 30 days the proposed disposition of the property.

Ms. Mary Rogers, WAPAC, inquired about the bid price and the offering price and Mr. Hamilton indicated that \$125,099.99 was the amount the developer bid for the property and \$97,000 was the minimum amount that could be accepted under the offering. Ms. Rogers inquired if the republished public hearing will be a corrected copy of the public hearing that was just published and Mr. Hamilton indicated it will be corrected.

There being no further persons wishing to appear regarding this matter the Acting President declared the public hearing closed.

NEW BUSINESS (continued)

MOTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 192-84 BE TABLED INDEFINITELY.

At this time, Acting President King indicated that since he is a member of the ILWU he would abstain from participating in the discussions on this item and would also abstain from voting on this item. Acting President King then turned the chair over to Ms. Berk.

- (b) Public hearing to hear all persons interested in a variance from the off-street parking requirements for Parcel 714, Lot 17, Western Addition A-2.

Acting President Berk opened the public hearing to hear all persons interested in this matter.

Resolution No. 193-84 requests authorization of a variance from the off-street parking requirements with Pacific Longshoremen's Memorial Association for Parcel 714, located on the east side of Franklin between Geary and Myrtle Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. It is requested that this item be continued for one week to the meeting of July 24 at which time an Owner Participation Agreement for this site will also be considered.

Ms. Mary Rogers, WAPAC, requested this item be continued for two weeks, so a meeting could be held with ILWU to discuss this matter. Mr. Hamilton indicated that it is a matter of timing criticality and though he understood Ms. Rogers' concerns, Mr. Gene Suttle, Area Director, Western Addition A-2, has met with the Planning, Housing and Development Committee and made a presentation on the issues involved. Unless the concerns are significant he would not recommend a two-week continuance.

Ms. Berk inquired if Ms. Rogers could meet with the P & D Committee within the next week and Ms. Rogers indicated she did not know and would have to discuss it with the Chairman of the Committee.

Mr. Hamilton recommended this item be continued for one week and all efforts be made to schedule a special meeting with the ILWU who would make itself available for that meeting.

MOTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN AND UNANIMOUSLY CARRIED THAT THE PUBLIC HEARING AND ACTION ON ITEM (b) BE CONTINUED TO THE MEETING OF JULY 24, 1984.

At this time Acting President King resumed the chair.

NEW BUSINESS (continued)

- (c) Resolution No. 194-84 requests authorization to advertise for the demolition and site clearance of Parcel 676-K, Lot 11, 1852-58 Sutter Street in the Western Addition A-2.

Mr. Hamilton reported on item (c) as follows. This two-story residential structure is presently occupied by two private individuals and two non-profit organizations. 90-day Notices were sent to the occupants on June 4, 1984. The Nihonmachi Community Development Corporation is proposing to construct a Japanese Cultural Community Center on this site. Although the scheduled conveyance date under the LDA is March 22, 1985, the developers have requested that the conveyance date be moved to September, 1984 in order to utilize funds allocated by the Mayor's Office of Community Development which funds must be used in the calendar year. Clearance of the site will make it possible to meet the earlier conveyance date.

Ms. Mary Rogers, WAPAC, inquired about housing for the families to be relocated and Mr. Gene Suttle, Area Director, Western Addition A-2, indicated that of the two residential households to be relocated each contains two member. A husband and wife have made a deposit on an apartment and are prepared to be moved by the end of the 90-day period. The other household consists of two adult males, and staff is in the process of looking for accommodations. Also, two non-profit organizations, one of which has found space and the other is meeting with the Nihonmachi regarding space in a Japanese School.

Ms. Mary Jane Staymates, WANA, expressed concern about demolishing a building before there is something ready to go in its place and Mr. Gene Suttle, indicated that the developer has applied for a site permit and a ground breaking is planned for October 5 or 12. If they do not proceed this year, \$200,000 of community development funds may be in jeopardy, so they are motivated by that fact to begin as soon as possible.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 194-84 BE ADOPTED.

- (d) Resolution No. 195-84 requests authorization of a Seventh Amendatory Agreement to the Land Disposition Agreement with Eddy Place Associates for Parcel 743-A, located on the south side of Eddy Street between Franklin Street and Van Ness Avenue in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. The site is now under construction. The developer has requested this amendment to allow Schaaf-Jacobs and Vinson, Inc., the structural engineer for this development to be added as a limited partner. This Amendatory Agreement would inset standard language in the LDA



NEW BUSINESS (continued)

permitting the developer to add limited partners, as long as there is no change in the interest of the general partner(s).

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 195-84 BE ADOPTED.

Acting President King indicated that, though he had no monetary interest and will not gain anything from the development, he would abstain from the discussion and voting on the following matter because one of the developers is a relative.

At this time Acting President King turned the chair over to Ms. Berk.

- (e) Resolution No. 196-84 requests authorization to re-enter into Exclusive Negotiations with Janet Roche, Daniel Solomon and Allan Cadgene until October 17, 1984, for development of Parcel 1100-D(1), located on the east side of Beideman Place between Ellis and O'Farrell Streets in the Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. Exclusive Negotiations were authorized in March of this year for the development of eight market-rate condominiums and nine rental units. The developers intend to use the City's Multi-Family Bond Program to finance the rental portion, but because of a delay in processing their application, they were not able to provide preliminary evidence of financing. They are still negotiating with lender-partners for the condominium portion. The developers have expressed confidence that the required information can be submitted within 90 days which will also provide time to finalize the Land Disposition Agreement, which is contingent on the outstanding data.

Ms. Mary Rogers, WAPAC, indicated that since City bonds will be used for this development, how many of the units would be available to families of modest means.

Ms. Janet Roche indicated that the City's Bond Program requires that 20% of the rental units be provided for low-to-moderate income persons, which in this case would be two of the nine rental units.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 196-84 BE ADOPTED.

At this time Acting President King resumed the chair.

- (f) Resolution No. 197-84 requests ratification of the submission of a request to the Mayor's Office of Community Development (OCD) for an allocation to the Agency from the 1985 Community Development Block Grant (CDBG) funds.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (f) as follows. On June 15, 1984 submittal requesting approval of an overall expenditure budget of \$14,045,000 was made to OCD. The 1985 CDBG allocation request of \$3,231,000 is \$1,731,000 more than the target suggested by OCD in a letter dated May 17, 1984 but is nevertheless a 24% reduction from the 1984 allocation which, in turn, was 33% less than 1983. We have attempted to be as realistic as possible about identifying all funds that may be available to assist in financing our proposed expenditures. As always, a big unknown is the level of land sales, estimated at \$6,300,000, that staff believes ambitious but achievable. The requested allocation is : a 1985 expenditure authorization of \$14,045,000 from Community Development Block Grant funds and certain non-Federal funds; an allocation of \$3,231,000 from the City's 1985 CDBG entitlement; authority to expend land sales proceeds up to \$6,300,000 to partially finance the proposed expenditures; and authority to reprogram \$2,074,000 of prior year CDBG allocations and program income in excess of budget.

Ms. Rogers inquired if staff layoffs were anticipated with the decrease in the amount of money that will be received from OCD and also, since land sales will be used to defray some of the costs for 1985, what kinds of programs can the Agency come up with whereby land, particularly in A-2, will not be so high, so that developers can build houses that are affordable.

Mr. Hamilton indicated that there is no current expectation of layoffs, given the request made and its anticipated approval. Regarding land sales proceeds, Mr. Hamilton indicated that the Agency is now in a position to use that as a major source of operating funds and since by law the Agency is required to deal with land sales on the basis of values as established by appraisal, there is very little flexibility with respect to what can be done to reduce costs of land. Recently this was done for the Amancio Ergina development with the authority of the Mayor's Office of Community Development and the Mayor's authority, which is required. The likelihood to do further financing of this type, in the absence of companion subsidies, is not great given the fact that Amancio Ergina was the last of the Section 8 subsidies that made that kind of peculiar and unique financing package possible. Also, concern has to be taken about the extent to which public purpose is really achieved with respect to additional housing, which is the result of low market land sales. Those who have come forward with a request to lower the land costs are not producing housing that would reach the people who would qualify that housing as a public purpose. The Agency has a very real contradiction in companion objectives, getting value for land required and yet achieving to the extent possible housing costs and therefore cost within the range of moderate income persons.

NEW BUSINESS (continued)

Ms. Rogers inquired what is public purpose if it is not to house citizens of this City and Mr. Hamilton indicated that is public purpose, but the problem is lack of appropriate subsidies for the kind of assisted housing Ms. Rogers is talking about.

Mr. Newman inquired if this action had been discussed with Mr. Johnson and Mr. Hamilton indicated affirmatively that staff had submitted the request informally to Mr. Johnson who then requested the Commission ratify it.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 197-84 BE ADOPTED.

- (g) Resolution No. 198-84 requests authorization for the consortium of Peat, Marwick, Mitchell and Co., Morris Davis & Co., and Chek Tan to audit the Agency's financial records for the eighteen month period ending June 30, 1984.

Mr. Hamilton reported on item (g) as follows. Historically, the Agency has caused to be audited only CDBG and Categorical Grant funds, because of HUD regulations. Though the Agency's total financial position has not been presented under one cover, it is believed such presentation has become increasingly important, especially in light of the changing sources and uses of funds. Having such financial statements audited would then satisfy all of the reporting requirements that would include the City's Annual Report, tax increments received, which as we continue redevelopment projects it is foreseen this source of income as becoming both routine and substantial, a review of bond issues, and CDBG funds. The consortium of Peat, Marwick, Mitchell and Co., Morris Davis & Co., and Check Tan are the auditors for all City funds and will be auditing the CDBG program. Since the Agency is a large sub-recipient of the City's entitlement, it will necessarily be involved in the City's audit, plus a need to provide data for inclusion in the City's annual financial report. To avoid unnecessary duplication of effort and minimize the use of staff time in familiarizing the auditors with the Agency's system, it is recommended that the Agency use the same firms as the City, particularly during this transition period. The City's contract with the consortium runs through June of next year. Thereafter, the City will rebid and staff will then consider using the firm that is the successful bidder.

Mr. Newman inquired what the audit cost last year and Mr. Harold Bell, Deputy Executive Director, Finance and Administration, indicated there was not one done last year. However, the last audit cost a little over \$20,000 and it is not appreciably more this time as it covers an 18 month period rather than a 12 month period.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 198-84 BE ADOPTED.

NEW BUSINESS (continued)

- (h) Resolution No. 199-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with Future Perfect, Inc. for Parcel D, bounded by Third and Newhall Streets, Evans and Galvez Avenues in the India Basin Industrial Park.

Mr. Hamilton reported on item (h) as follows. An LDA was authorized in June 1984 for development of two stories of office and commercial space, plus parking. The developer advised on July 5, 1984, that due to a disagreement with their architect, they replaced them with a joint venture composed of Daniel Solomon and Associates and Tanner & Van Dine. Due to this change, they are now requesting a revision of the performance schedule to extend submission of evidence of financing from January 6 to March 13, 1985 and conveyance of the site from February 13, to April 17, 1985.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 199-84 BE ADOPTED.

- (i) Resolution No.'s 200-84 through and including 204-84 request authorization of a Seventh Amendatory Agreement to the Land Disposition Agreement with Oscar and Patricia James for Lot 13, Eighth Amendatory Agreements to the Land Disposition Agreements with Gene Mabrey for Lot 2; Simon Brown for Lot 7; Sherman and Earline Hill for Lot 8; and Steva Cheatham, Gregory and Lavern Best for Lot 11, all within Site 4 in Hunters Point.

Mr. Hamilton reported on item (i) as follows. These developers are five of the sixteen developers proposing to build single family homes. Their pre-conveyance process continues to take longer than anticipated, but is nearing conclusion. Staff has examined each of the developer's status on a case-by-case basis and recommends an extension to October 18, 1984. The developers have been informed that staff will not recommend further extensions. Taking into account the amount of time afforded to these developers and the fact other persons have expressed interest in these sites, it would be difficult to justify. These sites were recently reappraised with no significant change. However, the sales of the LaSalle Heights homes within the next few months will result in a significant rise in land price. Therefore, it is recommended the new conveyance date of October 18 also become the date that new appraisals will be required.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO.'S 200-84 THROUGH AND INCLUDING 204-84 BE ADOPTED.



NEW BUSINESS (continued)

(j) and (k) Item (j), Resolution No. 205-84 requests authorization to extend Exclusive Negotiating Rights to September 12, 1984 for Parcels 3722-A and 3722-B, located on the east side of Third Street between Mission and Howard Streets in Yerba Buena Center.

Item (k), Resolution No. 206-84 requests authorization to extend Exclusive Negotiating Rights with O & Y Equity Corp./Marriott Corp./Beverly Willis to September 12, 1984 for Central Blocks 1, 2 and 3 in Yerba Buena Center.

Mr. Hamilton reported on item (j) and (k) as follows. Negotiations between staff and O & Y are now essentially complete and final drafts of documents are being prepared. The Presentation of the proposed design, project scope and basic aspects of the transaction presented on April 12 have been made available to various groups and those presentations, as part of the project information process, are continuing. It is anticipated that review of the Development Disposition Agreement (DDA) documents will be completed by the end of the month and about that time the required legal steps can be initiated. It is recommended that an extension to September 12 be permitted to complete the process though it is anticipated the full time will not be required. Your approval is recommended.

Ms. Berk inquired if it is anticipated that negotiations will be completed by the end of this month and Mr. Hamilton indicated affirmatively.

Mr. Newman noted his concern about the delay in completing the negotiations and Mr. Leo Borregard, Agency General Counsel, indicated that this is not a normal project, it is very large and complex and negotiations are very far along.

Mr. Hamilton added that he would send the Commissioners the table of contents to the DDA, which will list and identify documents discussed with the Commission over many months. The scope and breadth of this kind of transaction becomes clear when one sees listed all of the items which are covered in a DDA transaction of this kind.

Mr. Joseph Madonna, Olympia and York, indicated that this is a terribly complex transaction, the documents are very voluminous and both sides want to make certain that all contingencies that can be humanly thought of have been covered.

**ADOPTION:** IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 205-84 BE ADOPTED.

**ADOPTION:** IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 206-84 BE ADOPTED.



MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 207-84 requests authorization to extend the date of conveyance in the Land Disposition Agreement with Askia and Haiba Sonyika for Lot 10 in Site S-4, located on Lindsay Court off Whitney Young Circle in the Hunters Point Project Area.

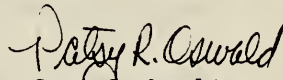
Mr. Hamilton reported on item (a) as follows. The Sonyika's are one of the sixteen developers proposing to build single family homes. All conveyance documents have been submitted. Although conveyance is expected before the LDA conveyance date of July 18, as a back-up in the event escrow does not close, staff feels that an extension of the conveyance date to August 1, 1984 would be prudent.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. NEWMAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 207-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Newman, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:15 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

August 7, 1984

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
24TH DAY OF JULY 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 24th day of July, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

DOCUMENTS DEPT.

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and the following was absent:

SAN FRANCISCO  
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H. Jesse Arnelle

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Peter Walz, Tom Campigha, TWM Architects; Thomas Gwyn, P.I.N.C.; Eliel Redstone, Thomas Ottoman, Redstone & Ottoman; Mary Rogers, Western Addition Project Area Committee (WAPAC); John Hayes, Westside Community Mental Health Center; William Margolis, Alliance for the Mentally Ill; Richard M. Travis, Stratos Corporation; and Ned MacDonald, Chevron Land & Development; Charles Sprincin, Charles Sprincin Company.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On July 25 the second Public Hearing will be held by the Mayor's Office of Housing and Economic Development on the proposed applications for the Urban Development Action Grants (UDAG) for a parcel in India Basin under an LDA with Daniel Hickey, one of the owners of Minute Men Press. The other UDAG is in connection with the Campeau development in Rincon Point-South Beach that will deal with the restoration and preservation of the Oriental Warehouse. The Board of Supervisors is expected to consider these items on July 30, 1984. This is the second hearing for public comment and consideration.
- (b) On July 27 at 4 p.m. there will be a ground breaking for the start of construction of Amancio Ergina Village, a 72 unit moderate income residential development in the Western Addition. The ceremony will be held at Ellis and Scott Streets.

UNFINISHED BUSINESS

- (a) Public Hearing to hear all persons interested in Assignment of Interest in Agreement for Disposition of Land for Parcel 678-C(2); Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 208-84 requests authorization of an Assignment of Interest by Suttermore Corporation to Alca Land Corporation for Parcel 678-C(2) together with an Easement over Parcel 678-C(1) and a Sixth Amendatory Agreement with both Corporations, which amends the Schedule of Performance and permitted use for Phase II in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. An LDA was authorized in October, 1981, with Suttermore Corporation on September 13, 1983. Suttermore Corporation is composed of Suttermore Associates and the Charles Sprincin Co. The Developer originally intended that the office space in the proposed commercial building on Parcel 678-C(2) be occupied by the five partners in Suttermore Associates. The partners no longer plan to use the office space and have requested a change of use for Phase II from commercial/office and retail to commercial/residential. The revised development will result in the need to restructure Suttermore Corporation in terms of risk, responsibility and amount of investment. The Charles Sprincin Co. and Suttermore Associates have requested that all rights to the development of the Phase II site be assigned to a newly formed corporation named Alca Land Corporation. The percentage of ownership for the Charles Sprincin Co. and Suttermore Associates in this corporation is 60% and 40% respectively. This is an increase in Suttermore Associates' participation in the commercial portion of the development, but a reduction in ownership of the residential portion. The Schedule of Performance will amend the dates for submission of evidence of financing from August 1, 1984 to February 13, 1985 and conveyance of site from September 3, 1984 to March 13, 1985.

Mr. Charles Sprincin, Charles Sprincin Co., indicated he was available for questions on the subject item.

There being no further persons wishing to appear in connection with this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 208-84 BE ADOPTED.

Mr. King noted that regarding item (b), since he is a member of the ILWU, he would abstain from participating in this item.

UNFINISHED BUSINESS (continued)

- (b) Public Hearing to hear all persons interested in a variance from the off-street parking requirements for Parcel 714, Lot 17; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 193-84 requests authorization for an off-street parking variance for the building owned by the Pacific Longshoremen's Memorial Association, Parcel 714, Lot 17, located at the southeast corner of Geary and Franklin Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. In 1970, the ILWU constructed a four story headquarters building with a multi-level, below grade garage which can accommodate up to 51 cars. ILWU has indicated a need and desire to expand the existing office building by adding a fifth floor and enlarging the existing first floor lobby space. The parking required for the building if expanded is 51 spaces which can be accommodated within the existing garage, but only if 23 of the spaces are for compact cars rather than the 7 permitted in the Redevelopment Plan. The parking variance would not reduce the required number of parking spaces, but would allow the project to exceed the percentage of compact spaces permitted by the Redevelopment Plan and it would also be within the Planning Code requirement that allows 50 percent or 25 of the spaces to be compact. The redevelopment Plan provides for variances from the development standards where literal interpretation and enforcement would result in undue hardships and constitute unreasonable limitations beyond the intent and purposes of such standards. In this instance, complete satisfaction of the Redevelopment Plan parking requirements would be impossible without substantial damage to the design of the existing building.

Mr. Peter Walz, architect, indicated he was available for questions on the subject item.

There being no further persons wishing to appear in connection with this matter, the President declared the public hearing closed.

Mr. Newman indicated he was in favor of the variance, but wanted to make the motion on the condition that the striping in the garage be changed to provide for the number of compact cars that the resolution would provide for, namely, twenty-three, so that it would be known that there are enough parking spaces for the number of cars that are anticipated.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 193-84 BE ADOPTED.

NEW BUSINESS

Mr. King noted that regarding item (a), since he is a member of the ILWU, he would abstain from participating in this item.

- (a) Resolution No. 210-84 requests authorization of an Owner Participation Agreement with the Pacific Longshoremen's Memorial Association for Lot 17, Assessor's Block 714, located on the east side of Franklin Street between Geary and Myrtle Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. An LDA was authorized in 1969 with the International Longshoremen's and Warehousemen's Union (ILWU) who developed a four story office building and transferred title to the Pacific Longshoremen's Memorial Association. The new owner desires to alter the present improvements by adding one floor to the building. Since the owner was not the original developer, there has been no OPA on the site, the alterations are substantial and an OPA will facilitate the Architectural Control given the Agency under the Redevelopment Plan. An OPA would also provide certainty to the owner that what is built complies to the Plan since the OPA provides for a Certificate of Completion.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 210-84 BE ADOPTED.

- (b) Resolution No. 211-84 requests authorization of a Third Amendatory Agreement to the Owner Participation Agreement (OPA) with Van Ness Center Associates, a Partnership of which the partners are Chevron Land and Development Company, and Grosvenor Fund, for Block 690, Lot 13, 14, 15, bounded by Van Ness Avenue, Hemlock, Franklin and Post Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. An OPA was authorized in May, 1983 with Van Ness Center Associates for the development of two highrise residential buildings with 88,000 gross square feet of retail and office space and 200 to 250 units of residential condominiums with required off-street parking and an automobile service station. The Developer now desires to delete the automobile service station from its proposed development and add 14,276 square feet of retail commercial and office space. Staff feels that the elimination of the automobile service station has a positive impact on the proposed development and the increase in gross area of retail commercial and office space appears reasonable. The revised proposal would require 407 parking spaces and the Developer is providing 443 parking spaces.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 211-84 BE ADOPTED.

- (c) Resolution No. 212-84 requests authorization of Exclusive Negotiations until October 24, 1984 with Thomas J. Ottoman and Eliel Redstone for Parcel 754-B, located on the north side of Golden Gate Avenue between Pierce and Steiner Streets in the Western Addition A-2.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. Staff received two proposals for the development of this site: Parent-Infant Neighborhood Center (PINC) who proposes to build a child care center to expand its present operations. They are now renting space a Banneker Homes and caring for 16 infants. The new 6,500 square foot two story structure would accommodate as many as 50 infants. The Developer would depend on fund raising from public and private sources to finance the project. Messrs. Ottoman and Redstone have proposed a 10 unit rental apartment building which would contain a mixture of studio, one and two bedroom apartments. The Developers have begun negotiations with the staff of the Mayor's Office of Housing and Economic Development for construction and permanent financing. The City's program would provide financing for 10 years, after which the development would be refinanced and possibly converted to condominiums. After review of the proposals, Staff feels that the Ottoman-Redstone proposal is superior. The design of the 10 unit development is in scale with the surrounding properties. The Developers are also architects for this development and have demonstrated sufficient financial strength and experience with developments of this magnitude.

Mr. Thomas Quinn, Parent-Infant Neighborhood Center (PINC), urged the Commission reject staff's recommendation, as PINC has an interest in building a new facility on the site.

Ms. Mary Rogers, WAPAC; Mr. William Margolas, Alliance for the Mentally Ill; supported Mr. Quinn's request.

Mr. Thomas Ottoman and Eliel Redstone, proposed developers for the site, urged the Commission adopt staff's recommendation.

After Commission discussion of this item it was decided it would be continued for two weeks.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that Item (c) would be continued for two weeks. There being no objection, it was so ordered.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No.'s 214-216 requests authorization of a Ninth Amendatory Agreement revising the Performance Schedule with Gordon Reese for Lot 1, Robert Primus for Lot 3 and Jimmie and E. L. Wilson for Lot 4, all within Site S-4, located on Carpenter Court on Hunters Point Hill in the Hunters Point Project Area.

Mr. Hamilton reported on item (a) as follows. These developers are three of the sixteen developers proposing to build single family homes. Their pre-conveyance process continues to take longer than anticipated, but is nearing conclusion. Staff has examined each of the developer's status on a case-by-case basis and recommends an extension to October 18, 1984. The developers

MATTERS NOT APPEARING ON AGENDA (continued)

have been informed that staff will not recommend further extensions. Taking into account the amount of time afforded to these developers and the fact other persons have expressed interest in these sites, it would be difficult to justify. These sites were recently reappraised with no significant change. However, the sales of the LaSalle Heights homes within the next few months will result in a significant rise in land price. Therefore, it is recommended the new conveyance date of October 18 also become the date that new appraisals will be required.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO.'S 214 THROUGH AND INCLUDING 216 BE ADOPTED.

- (b) Resolution No. 217-84 requests authorization for Helen Sause, Project Director, Yerba Buena Center, and James Wilson, Project Director, Hunters Point/India Basin, to attend the NAHRO 50th National Conference and Exhibit being held September 30 - October 3, 1984, in St. Louis, Missouri.

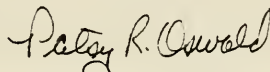
Mr. Hamilton reported on item (b) as follows. Mrs. Sause will leave September 27 in order to preside in her capacity as NAHRO National Vice President of Community Revitalization and Development (CR&D), and as a member of the National Board of Governors, which are holding their meetings prior to the National Conference. Mrs. Sause also sits as a member of the National Steering Committee and will also be a speaker on a conference session and participate in the M. Justin Herman Memorial Award. These positions enable the Agency to have an advocacy involvement in the Federal legislative and regulatory process at a level of high effectiveness. As Vice President for Professional Development for the NAHRO Northern California Chapter, Mr. Wilson will attend a number of workshops, as well as those focused specifically on how to get the most out of the work day and to achieve professional growth. The Conference program includes a number of workshops of interest on such subjects as "Enterprise Zones as Urban Development and Housing Tools", "Changes in Urban Development Action Grant (UDAG)", "Techniques in New Development", and "How to Utilize Infrastructure Funds in Development". Mrs. Sause's and Mr. Wilson's participation in this Conference will be beneficial to the Agency, both from the aspect of the national policy role in the NAHRO organization and from the information derived from Conference attendance. Mr. Wilson's air fare is being provided by outside sources, therefore the total cost for both Mr. Wilson's and Mrs. Sause's travel will be \$2,430. If there are any critical issues being considered which affect the Yerba Buena Center project, Mrs. Sause will not undertake this travel.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 217-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:40 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Patsy R. Oswald".

Patsy R. Oswald  
Secretary

APPROVED

November 27, 1984



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
7TH DAY OF AUGUST 1984

AUG 29 1984

SAN FRANCISCO  
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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 7th day of August, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
H. Jesse Arnelle

and the following were absent:

Haig Mardikian  
Walter S. Newman

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Anthony L. Morris, Bayview-Hunters Point Joint Housing Committee; Albert Goldschmidt, Birr, Wilson & Co.; Elizabeth Melnikoff, WKA; Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); David Bidwell, Tosta-Browning; William Margolis, Alliance for the Mentally Ill; and Thomas Ottoman and Eliel Redstone, interested citizens.

#### APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of July 17, 1984, as distributed by mail to the Commissioners, be approved.

#### REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The dedication and ground breaking for the Amancio Ergina development occurred on July 27 with great fanfare. It is a pleasure to see this project underway.
- (b) There will be no regular meeting next Tuesday, August 14, 1984. The next regular meeting will be held Tuesday, August 21, 1984.



UNFINISHED BUSINESS

- (a) Resolution No. 212-84 requests authorization of Exclusive Negotiations with Thomas and Eliel Redstone for Parcel 754-B located on the north side of Golden Gate Avenue between Pierce and Steiner Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. This item was continued from the meeting of July 24 to allow time for staff to review the objections raised by Mr. Thomas Gwyn who was representing the Parent-Infant Neighborhood Center (PINC) and who had an interest in the development rights to the subject site. The Ottoman and Redstone proposal is to construct a ten unit rental apartment building. They have been negotiating with the Mayor's Office of Housing and Economic Development for construction and permanent financing. Messrs. Ottoman and Redstone, who are architects, have provided satisfactory evidence showing they have both the requisite level of experience and necessary equity capital to carry out the development. Staff in evaluating both proposals recognizes that the Western Addition Community needs both housing and community services. Mr. Hamilton indicated he met this morning with Mr. Tom Gwyn, and a member of the PINC board, and Agency staff and discussed the history of the relationship between PINC and the Agency as it had been reported to him by Mr. Suttle and memorialized in writing to the Commission, which differs in some significant respects from what was put on the record two weeks ago. Significantly, the differences were that considerable discussion occurred between Mr. Gwyn, other members of the PINC board and Agency staff of the Western Addition vis-a-vis sites that might be available. In fact there was strong encouragement to PINC to consider undertaking development of other sites. The record did not reflect that in the presentation two weeks ago. At this morning's meeting, Mr. Gwyn expressed a desire to continue his interest in the subject site, but he and the other board member agreed to consider alternative sites for which there is no competing housing development interest. Mr. Hamilton indicated that after the meeting he called Mr. Bill White of the Mayor's Office of Housing and Economic Development who assured him that the funding potential for the Ottoman and Redstone project was real, that site control was a critical matter in eligibility and that the consummation of the agreement for construction, as well as permanent financing, would have to occur within 60-90 days in order for them to remain eligible. Mr. Hamilton recommended exclusive negotiations for 90 days with Ottoman and Redstone for the subject parcel. At the same time Mr. Gwyn and the PINC board will evaluate alternative sites. If the Ottoman and Redstone project did not go forward and PINC found the alternative sites would not work, then PINC could be given priority consideration for Parcel 754-B. In the best of all possible worlds the Agency will end up with housing on the subject parcel and a child care center on one of the alternative sites.

UNFINISHED BUSINESS (continued)

President Lee indicated that the buildings adjacent to the site were of the Victorian style and he wanted the features of the new building closely related to the Victorian style rather than the square box design it now had and Mr. Ottoman indicated he would see to it that those changes were made.

President Lee inquired if exclusive negotiations are given to Ottoman and Redstone, is this a predication for the PINC group to exclusive negotiations for any future sites, or is this just a recommendation and Mr. Hamilton indicated that it is only a personal promise to Mr. Gwyn and the other board member that the Agency would first pursue, during exclusives with Ottoman and Redstone, with PINC the alternative sites and subsequently should Ottoman and Redstone fall out, would pursue the subject site, but there is no legal commitment.

Mr. Thomas Gwyn, PINC, indicated they would be looking at the alternative sites, but were not in a position to assess those sites at this time.

Ms. Mary Rogers, WAPAC, indicated she supported exploring the alternative sites with PINC for a child care center.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 212-84 BE ADOPTED.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel K-5, India Basin Industrial Park.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 218-84 requests authorization to enter into an LDA with Rose Mary Rodrigues Najar for the development of Parcel K-5, located on the southeast corner of Galvez Avenue and Newhall Streets in the India Basin Industrial Park.

Mr. Hamilton reported on item (a) as follows. Ms. Najar, the sole owner of Mexican Food Products Corporation, has occupied an 8,000 square foot factory at 18th and Alabama Streets since 1963. The developer proposed to construct a 14,000 square foot building with parking, loading and landscaping areas. Forty-two people are now working at the factory and there is anticipated to be a 50% increase in employment upon completion of the new facility and installation of new equipment. The India Basin Neighborhood Employment Program requires fifteen persons be employed. Ms. Najar has acknowledged her intent to extend employment preference to qualified community residents. The schedule of performance for submission of evidence of financing is February 1985 with Close of Escrow March 1985. The Bayview-Hunters Point Joint Housing Committee has endorsed this proposal.

NEW BUSINESS (continued)

Mr. Anthony Morris, Executive Director, Bayview-Hunters Point Joint Housing Committee, indicated his concern that this developer adhere to the Affirmative Action requirements, which are attachments to the LDA, during construction and after completion of the project. He then extended support for the project.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 218-84 BE ADOPTED.

- (b) Resolution No. 219-84 requests authorization of a Second Amendment to the Agreement for Legal Services with the law firm of Harris, Alexander, Burris & Culver which increases the maximum amount payable by \$75,000, in connection with certain ongoing litigation and various other legal matters covering all Approved Redevelopment Project Areas.

Mr. Hamilton reported on item (b) as follows. This law firm has been providing legal services for the Agency since May of 1983. The contract provided for their handling of one item of litigation in the Western Addition A-2 and was subsequently amended March 20, 1984 to include all approved redevelopment project areas. Since that time, the firm has undertaken the representation of the Agency on several miscellaneous items of litigation. The firm has been providing excellent service to the Agency at hourly rates which are fair and reasonable. The original contract amount of \$25,000 has nearly been expended and renewed funding, which would increase the maximum contract amount to \$100,000, is necessary to enable the law firm to continue to represent the Agency on these matters.

Ms. Mary Rogers, WAPAC, inquired about the firm's Affirmative Action Program and Mr. Earl P. Mills, Deputy Executive Director, Community Services, indicated that he did not have a breakdown of all the employees, however, of the four principals, three are black and one is caucasian.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 219-84 BE ADOPTED.

- (c) Resolution No. 220-84 requests ratification of an amendment to the Personnel Policy to maintain the observance of Admission Day on September 10 rather than moving it to August 6 in conformance with a recent one-time change in State Law.

Mr. Hamilton reported on item (c) as follows. As a means of reducing traffic in the Los Angeles area during the Olympic Games, Governor Deukmejian recently signed into law a measure which shifted observance of Admission Day for most State and local employees from September 10 to August 6 for 1984 only.

NEW BUSINESS (continued)

Because this measure amended the code section, which succeeded the section referred to in our Personnel Policy and Union Agreements, the Agency has been inadvertently placed in the situation of having to make a last-minute decision on the observance of the Admission Day holiday. Staff confirmed that the City will be observing the holiday on September 10 and both Local 390/400 and Local 21 have agreed to maintain this original observance date for Agency employees. Since this legislation was not discovered until after the last meeting in July, it was believed necessary to amend the Personnel Policy and seek ratification of that action.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 220-84 BE ADOPTED.

- (d) Resolution No. 221-84 requests authorization of a First Amendment to the contract with California Department of Boating and Waterways for the South Beach Small Boat Harbor and Park, which increases the amount of the loan from \$4.5 million to \$6 million; Rincon Point-South Beach.
- (e) Resolution No. 222-84 requests authorization of an option to lease real property with the City acting by and through the San Francisco Port Commission, regarding various parcels of property within Rincon Point-South Beach.
- (f) Resolution No. 223-84 requests authorization to seek approval of the City for the Agency to amend its 1984 budget to pledge tax increments and to issue revenue bonds to finance the Small Boat Harbor and Park Complex in an amount not to exceed \$45 million; Rincon Point-South Beach.

Mr. Frank Cannizzaro, Project Director for Rincon Point-South Beach presented the details of items (d), (e) and (f).

Mr. Arnelle noted his concerns about how the lease was structured, as it appeared the Agency was taking all the risk and would stand to lose first and Mr. Cannizzaro indicated that the Port would not lease the Agency the land under any other conditions and he felt that there is a large potential for an upside gain for the Agency.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 221-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 222-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 223-84 BE ADOPTED.



NEW BUSINESS (continued)

- (g) Resolution No. 224-84 requests authorization of a Fourth Amendatory Agreement to the Land Disposition Agreement with James Doherty for the building located at 1329 Pierce Street in the Western Addition A-2.

Mr. Hamilton reported on item (g) as follows. An LDA was authorized in May, 1983, for the purchase and rehabilitation of a seven unit residential building, comprised of six one-bedroom and one two-bedroom units. Following completion of the rehabilitation work, the developer will convey the units as condominiums to low-and-moderate income individuals and families, with preference given to the Agency's Certificate of Preference Holders. On April 19, 1984 the property was conveyed to the developer and shortly thereafter, the rehabilitation construction began. Prior to and during the construction process, the Bureau of Building Inspection and the San Francisco Fire Department requested that an automatic sprinkler system be provided throughout the building. The Developer incurred additional cost in the amount of \$12,960 for this system. The City's Water Department also required the installation of a 4-inch Fire Services to supply the sprinkler system at a cost of \$6,600. To cover the total additional cost of \$19,560, the Developer has requested that the sales prices of each unit be increased. The Developer has obtained additional financing commitment from the California Housing Finance Agency to cover this additional cost. The terms of the LDA provide fixed sales prices of the units at \$67,500 for the one-bedroom units and \$82,000 for the two-bedroom unit. Upon approval of the Fourth Amendatory Agreement the proposed sales prices following rehabilitation would be: Five one-bedroom units at \$68,650; One one-bedroom unit with garage at \$73,650; and One two-bedroom unit with garage at \$89,560.

Ms. Mary Rogers, WAPAC, inquired if the cost increase could be spread more evenly among the units and President Lee indicated the increase costs have been prorated according to square footage, which is the fair way to do it.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 224-84 BE ADOPTED.

- (h) Resolution No. 225-84 requests authorization of an Owner Participation Agreement with Majestic Inn, Ltd., for the property located at 1500 Sutter Street in the Western Addition A-2.

Mr. Hamilton reported on item (h) as follows. This five-story wood-framed Victorian structure with basement was originally built in 1877 and is currently utilized as a residents club. The owner proposes to rehabilitate the building into 57 to 60 rooms and continue its present use as a private club, which has been determined to be a permitted use under the Redevelopment Plan. All rehabilitation work, when completed, will be in conformance with applicable City building codes, ordinances, and regulations, and the Agency's Rehabilitation Standards. The estimated



NEW BUSINESS (continued)

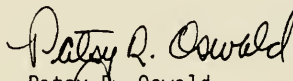
rehabilitation costs will be approximately \$1.5 million, which will be privately financed. The Owner has obtained the services of Ramon Zambrano and Associates to prepare architectural plans and specifications for Agency review and approval. The Majestic Inn partnership has completed other successful rehabilitation projects in the City such as the Nob Hill Inn in San Francisco. Completion will be within one year after commencement of construction.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 225-84 BE ADOPTED.

ADJOURNMENT

It was moved by Ms. Berk seconded by Mr. Arnelle and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:00 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

August 21, 1984



124

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
21ST DAY OF AUGUST 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 21st day of August, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnette  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

DOCUMENTS DEPT.

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and the following were absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Larry Greer, ATAP International, Inc.; Lafayette Jamerson, Arnold Townsend, Michael Hornstein, Roosevelt Carrie and Mark Wilder, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of August 7, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On August 20, 1984, The Board of Supervisors passed favorably on applying for and accepting the UDAG's for Minute Men Press, Inc. in India Basin Industrial Park for \$875,000 and \$5,000,000 for the Oriental Warehouse in Rincon Point-South Beach.
- (b) On August 22, 1984, the Finance Committee of the Board of Supervisors will be considering several Rincon Point-South Beach items: (1) authorizing \$45,000,000 in bonds to finance the Small Boat Harbor and Park; (2) authorizing amendments to the Small Craft Harbor Construction Loan and Operation Contract between CAL

REPORT OF THE EXECUTIVE DIRECTOR (continued)

Boating, Redevelopment and the City; and (3) approving option to lease real property between the Agency, the City and the Port Commission.

- (c) Bids for the first phase of the Small Boat Harbor in Rincon Point-South Beach were opened on August 16. With 9 bids received the apparent low bidder was Riedel International at \$10,990,000 which is 25% below the Engineer's estimate of \$14,648,968. The Riedel firm's headquarters are in Portland, Oregon and staff evaluation is that they are clearly capable based on organization, experience, equipment and financing. Before awarding the contract several steps must be taken: staff evaluation of Minority and Woman Business Enterprises program, staff check of subcontractors, Board of Supervisor approval of bond sale, Corps of Engineers issuance of permit and Sale of the Bonds.
- (d) The recent passing of Gene Suttle's Mother was noted and it was suggested this meeting be adjourned in her memory.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the Assignment of Interest in Agreement for Disposition of Land for Parcel 785-A(1); Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 226-84 requests authorization to assign interest in the LDA for rehabilitation, as amended, by Elizabeth Jamerson jointly to Luchan and Lavolia Baker for Parcel 785-A(1), 685-91 McAllister Street, located on the southeast corner of Gough and McAllister Streets in the Western Addition A-2.

Staff has received a written request from Mrs. Jamerson's lawyer to continue this item for one week in order to get all details in place for Mrs. Jamerson to sign the documents.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, the Public Hearing and action on item (a) would be continued for one week. There being no objection, it was so ordered.

- (b) Resolution No. 227-84 requests authorization of \$2,720 for the temporary accommodation of Carrie General Insurance Agency during the rehabilitation of 2075-2089 Sutter Street in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. In April, 1983, this property was conveyed to the Carries who then moved Carrie General Insurance Agency, which had operated as a tenant in the building since 1962, to a temporary site in order to permit

NEW BUSINESS (continued)

rehabilitation to proceed. In May, 1983, \$4,500 was authorized for this temporary accommodation. However, due to construction delays, the rehabilitation of the property did not proceed on schedule and the approved expenditure was exhausted. In April of this year, \$2,040 was authorized so that the Carrie General Insurance Agency could continue at the temporary location. That amount has also been exhausted. Rehabilitation of the structure, which is approximately 60 percent complete, is presently at a stand still due primarily to new City Code requirements which result in the Developer's need to address 16 separate items in connection with the building permit. It is anticipated that the building permit will be issued before the end of this month and that work will immediately resume on the building. Construction should then be completed in approximately six months, however, to allow for unexpected delays, staff is requesting approval of eight month's payment. Only what is needed will be spent.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 227-84 BE ADOPTED.

- (c) Resolution No. 228-84 requests authorization of Exclusive Negotiations for 90 days with Michael and Ellen Hornstein for the development of Parcel C-1(b), located on the northeasterly corner of Evans Avenue and Newhall Street in the India Basin Industrial Park.

Mr. Hamilton reported on item (c) as follows. In May of this year, two qualified developers and a taxi cab company offered to buy and develop the site and they were requested to submit preliminary development proposals indicating the type and intensity of use and their qualifications. The Hornstein proposal was judged the most desirable use of the site in which they propose to develop a 38,700 square foot building to be leased by the Snyder-Newell Company. The Snyder-Newell Company, a direct mail processing firm, is currently a tenant of the Hornstein's at 170 - 9th Street in San Francisco, and is in need of larger quarters. Snyder-Newell employs 118 people and has been growing at a rate of seven employees per year. The period of exclusive negotiations will permit sufficient time to complete costs estimates and enter into a firm agreement on lease terms with Snyder-Newell. The use of this site by Snyder-Newell will be a substantial addition to the job base in India Basin and will further increase the feasibility of nearby commercial development in the Park. Agency design staff has reviewed the Hornstein proposal and finds it of superior design quality. The Bayview Hunters Point Joint Housing Committee has reviewed the proposal and finds it acceptable. The developers have a good affirmative action record and have agreed to give employment preference to residents of the Bayview-Hunters Point.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 228-84 BE ADOPTED.



NEW BUSINESS (continued)

- (d) Resolution No.'s 229-84 - 232-84 request authorization of an extension of the Conveyance Date in the LDA's with SOCO for Lot 5, Hayes for Lot 6, Sonyika for Lot 10 and Wise for Lot 12, in Site S-4 located on Carpenter Court off Whitney Young Circle in Hunters Point.

Mr. Hamilton reported on item (d) as follows. These developers are four of the sixteen developers proposing to build single family homes in Hunters Point. The developers were unable to meet the prerequisites for conveyance by August 1, as the general contractor of all of these developments decided to withdraw. The developers need time to find a new general contractor. The developers have been informed that staff will not recommend further extensions. Taking into account the amount of time afforded and the fact other persons have expressed interest in these sites, it would be difficult to justify. These sites were recently reappraised with no significant change. However, the sales of the LaSalle Heights homes within the next few months will result in a significant rise in the land price. Therefore, it is recommended the new conveyance date of October 18 also become the date that new appraisals will be required.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO.'S 229-84 THROUGH AND INCLUDING 232-84 BE ADOPTED.

- (e) Resolution No. 233-84 requests authorization of Exclusive Negotiations for 90 days with ATAP International, Inc. for Parcels T1 through T-5 and T-7 located on the southerly side of Hudson Avenue near the intersection of Keith Street in the Hunters Point Project Area.

Mr. Hamilton reported on item (e) as follows. An LDA was authorized in March, 1978 with Mr. John Wouldridge who, due to financial difficulties, was only able to build two of the projected 14 homes. The LDA was then terminated in September, 1982. Since the LDA covering these 14 home sites was recorded, staff only recently was able to obtain a quitclaim deed from Mr. Wouldridge, which will serve to eliminate any possible cloud on the title. ATAP International, Inc. is a minority-owned development company based in Richmond, California whose proposal is to develop nine attached single family homes of approximately 1,000 square feet of finished space that includes two bedrooms and one bath, plus 200 square feet of unfinished space that can be completed by the owner subsequent to occupancy. In addition, each home would come with a finished two-car garage. The projected selling price is \$76,600. The Developer has requested the period of exclusive negotiations to provide evidence of site control in conjunction with an application for the City of San Francisco Housing Mortgage Bond funds, which would enhance the feasibility of this project. Staff has reviewed and finds satisfactory the Developer's evidence of financial capacity, as

NEW BUSINESS (continued)

well as the feasibility and design quality of the proposed development. The Bayview Hunters Point Joint Housing Committee has reviewed the proposal and finds it satisfactory.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 233-84 BE ADOPTED.

- (f) Resolution No. 234-84 requests authorization to apply to the Mayor's Office of Community Development to reprogram funds within the 1984 Agency budget for the purpose of exercising the option to purchase property should funds not become available from other sources and
- (g) Resolution No. 235-84 requests authorization to enter into an Option Agreement with Dorothy Palmisano and Claire Modolo for the purchase of the property located on the southwesterly corner of Brannan and First Streets in the Rincon Point-South Beach Project Area.

Mr. Hamilton reported on items (f) and (g) as follows. On June 5 an OPA was approved with Campeau for development of 402 units of housing, rehabilitation of the Oriental Warehouse and construction of an office building. The office building is to be built on the subject site which the Agency is to acquire and lease to Campeau. The OPA requires the Agency to cooperate with Campeau in applying for UDAG funds to assist in financing the combined Oriental Warehouse and office building portions of the project. In order to supplement and complete the UDAG application, evidence must be submitted to HUD by August 24 that the Agency controls the office building site, which is the subject property owned by Ms. Palmisano and Ms. Modolo, and that the Agency has the funds and is prepared to make a commitment to complete the purchase. The proposed option contract would provide HUD with the necessary evidence of site control. The terms provide for a non-returnable deposit of \$50,000. The owners will sell the property to the Agency for \$1,650,000 and will hold the price for six months. For an additional non-returnable deposit, the option can be extended for three months; however, for each month of extension that is used, the purchase price would rise by \$25,000. The reprogramming of Agency funds would provide HUD with the necessary evidence that funds are available and committed to purchase the site.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 234-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 235-84 BE ADOPTED.

- (h) Resolution No. 236-84 requests ratification of a Second Amendment to the Permit to Enter for 21 days with O & Y Equity

NEW BUSINESS (continued)

Corp./Marriott Corporation/Willis acting through Marriott Corporation (OYM) for demolition and site clearance of 49 Fourth Street, for former GSA property, in Yerba Buena Center.

Mr. Hamilton reported on item (h) as follows. A Permit to Enter was authorized in December 1983 for 180 days and on June 12, 1984 a 60-day extension was granted that would have expired on August 14, 1984. Because there was no meeting on August 14 and it was necessary to permit them sufficient time to comply with Agency submittal requirements for completing the next stage, the Executive Director authorized the Second Amendment to extend the time by 21 calendar days. Following review of the OYM Demolition Plan, an extension of time which permits completion of the site clearance will be recommended for Commission consideration.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 236-84 BE ADOPTED.

- (i) Resolution No. 237-84 requests authorization of a Fifth Amendment to the Legal Services Agreement with the Law Firm of Steefel, Levitt & Weiss in the amount of \$100,000 for the Yerba Buena Center.

Mr. Hamilton reported on item (i) as follows. The Steefel law firm has been assisting the Agency under this contract in ongoing negotiations and document preparation for YBC since June of 1983. For the past few months, document preparation has been at a peak; with the Steefel staff devoting approximately 400 hours of time per month toward YBC matters on behalf of the Agency. This intense activity is expected to continue until the time of document completion and execution. The firm's affirmative action program has been enhanced by the recent hiring of two minority associate attorneys and one (out of two) minority summer law clerk, plus additional minority support staff.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 237-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Mr. Mark Wilder, proposed purchase of 1917 Ellis Street, a building to be rehabilitated in the Western Addition A-2, protested to the Commission regarding the purchase price of the building. Mr. Wilder indicated he had signed the LDA with a purchase price of \$97,000 and now Agency staff has indicated that was a mistake and the original price he had bid of \$125,099.99 must stand.

Mr. Hamilton indicated that the Commission, after rejecting all bids on this offering, authorized staff to negotiate with Mark Wilder, however, it has to be the price that was bid by Mr. Wilder or the Agency would have to reoffer the property.

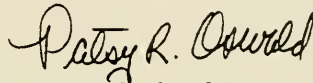
MATTERS NOT APPEARING ON AGENDA (continued)

The Commissioners unanimously agreed with staff's position and Mr. Wilder was given until Close of Business August 22 to accept the original bid price or the property would be reoffered.

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Mardikier, and unanimously carried that the meeting be adjourned to a closed session on Personnel matters and in memory of Gene Suttle's Mother. The meeting adjourned at 5:12 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Patsy R. Oswald".

Patsy R. Oswald  
Secretary

APPROVED

February 19, 1985





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
28TH DAY OF AUGUST 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 28th day of August, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Haig Mardikian  
H. Jesse Arnelle  
Walter S. Newman

and the following was absent:

Charlotte Berk

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were M. J. Staymates, Western Addition Neighborhood Association (WANA); Vince Barsocchini, Steve Vawter, Warman Lock Co.; Gino Marcodi, E. A. Bonelli & Assoc.; David Bidwell, Tosta & Browning; Howard Thompson, Fillmore Merchants; Pleasant Carson, Lavolia Baker, Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); Tim Dupre, Booker T. Washington Center; Charles Sprincin, Sprincin Co.; Ocie Mae Rogers, Anthony Morris, Bayview Hunters Point Joint Housing Committee; Nate Dewberry, Nolan Frank, Leo E. Arnold Jr., Roosevelt Carrie and Altheda Carrie, interested citizens.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) At last week's Finance Committee of the Board of Supervisors several items were considered but continued until tomorrow, August 29, to give staff time to further brief Supervisors on the issues. Those items include (1) the \$45,000,000 in bonds to finance the Small Boat Harbor and Park; (2) amendments to the Small Craft Harbor Construction Loan and Operation Contract between CAL Boating, Redevelopment and the City; and (3) the option to lease real property between the Agency, the City and the Port.

UNFINISHED BUSINESS

- (a) Public Hearing to hear all persons interested in Assignment of Interest in Agreement for Disposition of Land for Parcel 785-A(1); Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 226-84 requests authorization of an Assignment of Interest in the Land Disposition Agreement with Elizabeth Jamerson to Luchan and Lavolia Baker for Parcel 785-A(1), 685-91 McAllister Street, located in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. The Public Hearing and action on this item was continued from the meeting last week and today a further continuance will be recommended as Mrs. Jamerson has not yet signed the required assignment documents. Mr. Leo E. Arnold, attorney representing Mrs. Jamerson, indicated there were only a few remaining items to document and submit before Mrs. Jamerson could sign the assignment documents and he requested a one week continuance.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, Item (a) would be continued for one week at the attorney's request. There being no objection it was so ordered.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel C-1(a); India Basin Industrial Park.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 238-84 requests authorization of an LDA with John and Joyce Badertscher for Parcel C-1(a) located on Newhall Street in India Basin Industrial Park.

Mr. Hamilton reported on item (a) as follows. The Developers are the principal owners of the Warman Lock Company located at 1720 Sacramento Street. They have outgrown their current quarters and wish to relocate their business to the India Basin Industrial Park. They propose to construct a 5,500 square foot building to be used for office, warehousing and light manufacturing in connection with the security, lock and safe business. The developer currently employs 19 persons and anticipates adding one or two employees in the near future. With the projected staff of 21 employees, the Developer will provide nearly twice as many jobs as required by the India Basin employment guidelines of 20 jobs per acre. Staff has examined the content of the proposal and the business references and finds the proposal appropriate to the India Basin Industrial Park. The developer has demonstrated

NEW BUSINESS (continued)

financial capacity to carry out the development program and the Bayview Hunters Point Joint Housing Committee has reviewed and recommends approval of this development. The schedule of performance for submission of evidence of financing will be August 20, 1985 and Conveyance of the Site by September 24, 1985.

Mr. Anthony Morris, Executive Director, Bayview Hunters Point Joint Housing Committee, indicated his concern that this developer adhere to the Affirmative Action requirements, which are attachments to the LDA, during construction and after completion of the project.

There being no further persons wishing to appear regarding this matter the President declared the public hearing closed.

Mr. Newman inquired about staff's design concerns and Mr. Edmund Ong, Chief of Architecture, reviewed the design concerns and indicated staff would work with the developer's architect to improve the appearance of the building. Mr. Newman indicated he would move the motion subject to final design review by the Commission.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 238-84 BE ADOPTED, SUBJECT TO FINAL DESIGN REVIEW BY THE COMMISSION.

- (b) Resolution No. 239-84 requests authorization of a Third Amendment to the Permit to Enter for 90 days with O & Y Equity Corp./Marriott Corporation/Willis, acting through Marriott Corporation (OYM), for demolition and site clearance of 49 Fourth Street, the former GSA property in Yerba Buena Center.

Mr. Hamilton reported on item (b) as follows. A Permit to Enter was authorized in December 1983 with an extension granted in June of this year. Additionally, at last week's meeting a Second Amendment was ratified extending the Permit to Enter by 21 days as the permit would have expired. This allowed OYM sufficient time to submit a Demolition Plan and a detailed Scope of Work for the completion of the demolition below the first floor slab, including removal of all debris. This remaining demolition work is not included in the scope of work of the original Permit to Enter. OYM has indicated that, upon completion of the demolition and site clearance, an application for necessary permits for proceeding with the proposed new construction will be prepared and submitted to the City.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 239-84 BE ADOPTED.

- (c) Resolution No. 240-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with Mr. Bennie Wright for Lot 9 located within Site S-4 on Lindsay Court in the Hunters Point Redevelopment Project Area.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. An LDA was authorized in February of this year with Mr. Wright, who is one of the sixteen developers of single-family homes in Hunters Point. He is a small contractor who proposes to construct a 1,900 square foot home for sale for about \$145,000. He has proceeded on schedule, but has been unable to obtain financing. Staff feels that in today's uncertain interest rate market it will be extremely difficult for a small entrepreneur builder to obtain financing. However, they are researching prospects to determine whether a program exists to permit Mr. Wright to construct his building. Staff recommends an extension to permit this search for financing to continue which would revise the performance schedule to submit evidence of financing from August 29 to November 28, 1984 and Conveyance of the site from September 26, 1984 to January 9, 1985.

Mr. Newman inquired if other developers were interested in the subject property that would go forward promptly and Mr. Hamilton indicated there is a list of developers who have expressed interest. Mr. Jim Wilson, Project Director, Hunter Point/India Basin, indicated that Mr. Wright was not one of the original developers and had only been in the program since February of this year and had done better than those developers who had been in the program longer.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 240-84 BE ADOPTED.

- (d) Resolution No. 241-84 requests authorization of Exclusive Negotiations for a period of 90 days with Roosevelt and Altheda Carrie for Parcel 683-D(1), located near the southeast corner of Steiner and Sutter Streets in the Western Addition A-2.

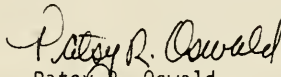
Mr. Hamilton reported on item (d) as follows. The Carrie's presently own the adjacent parcel which they are rehabilitating for offices including their own insurance company. They propose to develop 42 market-rate condominiums consisting of one and two bedrooms with additional parking to accommodate their adjacent office building which has no parking. Development cost estimated at \$5,000,000 include purchase of the site. Due to the magnitude of this development, they intend to joint venture with an established developer and are presently negotiating with the Charles Sprincin Company to act in that role.. The Carrie's are well known business people who have long operated a business in the Western Addition and have made significant contributions to that community including a variety of leadership roles.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 241-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Mardikian, seconded by Mr. Arnelle, and unanimously carried that the meeting be adjourned to a closed session on personnel. The meeting adjourned at 4:26 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

September 4, 1984





84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON  
SEPTEMBER 4, 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 4th day of September, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Haig Mardikian  
Walter S. Newman

DOCUMENTS DEPT.

and the following was absent:

OCT 29 1984

Charlotte Berk  
H. Jesse Arnelle

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The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Mary Jane Staymates, Western Addition Neighborhood Association; Mary Helen Rogers, Pleasant Carson, Western Addition Project Area Committee; Ocie Mae Rogers, Bayview Hunters Point Joint Housing Committee; Howard Thompson, Fillmore Merchants Association; Avonee Smith, Mayor's Office of Housing and Economic Development; Leo E. Arnold, Jr., Attorney; Lafayette Jamerson, Jamerson Development; Don Houston, Warren Seeto, Alamo Associates; Frances Lung and Nolan Frank, L.J.F.; Nicholas Dempsey, U.C.I. Consulting Services; Mr. Spagnolly, Dewbury/Spagnolly; Richard Holliday, Benjamin Golvin, BRIDGE; Elizabeth Jamerson and Essie Collins, interested citizens.

Representing the press was Jim Kelley, San Francisco Progress.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Mardikian, and unanimously carried that the minutes of the regular meeting of April 24, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. Mardikian, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of August 28, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the Closed Session of August 28, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) At the Board of Supervisors' meeting today, they considered several Rincon Point-South Beach items that were brought forward from the Finance Committee last week. Those items include (1) the \$45,000,000 in bonds to finance the Small Boat Harbor and Park; (2) amendments to the Small Craft Harbor Construction Loan and Operation Contract between CAL Boating, Redevelopment and the City; and (3) the option to lease real property between the Agency, the City and the Port. All three items were passed. Supervisor Kopp was absent, as it was deemed he had a conflict. This is a significant move forward on Rincon Point-South Beach.
- (b) This morning in the Mayor's weekly staff meeting the Agency was asked to join with Dean Macris of City Planning and William Witte of the Mayor's Office of Housing and Economic Development to present an update and report on the housing program in the City. The Mayor takes quite seriously her commitments made as she announced in 1982 the "Six Point Housing Program". This was in the nature of a review and report as to the status of the operating Agencies involved in that effort. Since the Mayor announced her program, three and one half years ago, 2,527 housing units have either been started or completed and occupied in Redevelopment Project areas. Of those, 1,073 were for low to moderate-income households. Also, there were 773 rehabilitation starts and completions during this period. The housing starts projected for now through 1985 - another 2,687. This is a total of 5,214 units combined in the completed, under construction or programmed to start by the end of 1985.
- (c) The Agency's offices will be closed next Monday September 10 in observance of California's Admission to the United States of America.

UNFINISHED BUSINESS

- (a) Public Hearing to hear all persons interested in Assignment of Interest in the Agreement for Disposition of Land for Parcel 785-A(1); Western Addition A-2.

Resolution No. 226-84 requests authorization to Assign the Interest in the LDA with Elizabeth Jamerson to Luchan and Lavolia Baker for Parcel 785-A(1), 685-91 McAllister Street, located on the southeast corner of Gough and McAllister Streets in the Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Mr. Hamilton reported on item (a) as follows. This matter has been on calendar for the last two meetings, waiting for the Assignment Agreement to be signed, which has to be accomplished

UNFINISHED BUSINESS (continued)

before staff recommends Commission action. At this time that has not occurred. Mrs. Jamerson's attorney, Mr. Leo Arnold, has indicated he has a statement to make and perhaps he can report on the status of the situation.

Mr. Leo Arnold indicated that regarding the signing of the Assignment Agreement, there are still a few items that need to be included in the cost that Mrs. Jamerson will submit to the Agency for repayment as part of the sale. Until these have been submitted the assignment cannot go forward. Mr. Arnold requested a one-week continuance to get some of these contingencies worked out and then the assignment will be signed and submitted before next week.

Mrs. Lavolia Baker indicated she wanted the Commission to know this delay was not the fault of the Bakers. She believed the additional costs that have come in cannot be resolved by next Tuesday, as they have not yet been approved by the Agency.

Mr. Lafayette Jamerson indicated that he sees several conflicts of interest that should be cleared by the legal division and staff. President Lee inquired of Mr. Hamilton what conflict of interest might be involved and Mr. Hamilton indicated he did not know what Mr. Jamerson was referring to. Mr. Jamerson indicated that a Certificate of Preference had been exercised on this piece of property and he wished to communicate with the Agency on that matter and he believed there is a conflict of interest about the whole package that needs to be cleared through the Legal Division and Mr. Hamilton. Mr. Hamilton indicated they are prepared to respond to Mr. Jamerson's item on the Certificate of Preference and have tried to contract Mr. Jamerson without success. He also suggested Mr. Jamerson put his concerns in writing and submit them to staff, particularly the item on conflict of interest, as he did not know what Mr. Jamerson was referring to. Mr. Jamerson indicated he would put his concerns in writing.

Mr. Newman inquired that if they are unable to reconcile their differences of contractor's costs, can it be assumed that Mrs. Baker and her group will not buy the property and this item will die a natural death. Mr. Hamilton indicated that it will die a natural death at that time or some things will remain contingent even after the assignment is authorized on the expectation by Mrs. Jamerson that they will be resolved, but they would not be conditions of the assignment. In other words, the Bakers at that time would not be committed to assuming those responsibilities although subsequent discussion may work out ways of resolving them. The deal would be struck on the assignment agreement at the time it is authorized.

President Lee indicated that according to Mrs. Baker's opinion this might take more than a week and Mr. Arnold indicated there are problems to resolve, some of which will have to be resolved

UNFINISHED BUSINESS (continued)

before the agreement is entered into and some of which can be carried over afterwards, as long as the parties agree and those can be resolved in a week.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, Item (a) would be continued for one week at the Developer's request. There being no objection, it was so ordered.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 774-B; Western Addition A-2.

Resolution No. 242-84 requests authorization of an LDA with Alamo Associates for Parcel 774-B, located on the northeast corner of McAllister and Steiner Streets in the Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Mr. Hamilton reported on item (a) as follows. Exclusive Negotiations were authorized in July of this year with Gilbert Chan, president of Urban Designs; Don Houston; Warren Seeto, president of WQS Investments; and Ben Williams, a certificate holder. The general partners have formed a limited partnership called Alamo Associates. They propose to construct 15 market-rate condominiums with maximum sales prices of \$137,790. It is their intention to apply to the City for tax exempt bond financing to provide low interest mortgage financing to the buyers. The key performance dates are to submit evidence of financing by July 3, 1985 and conveyance of the site by August 7, 1985.

Mr. Pleasant Carson, WAPAC, indicated he had not received an Agenda and memos for today's meeting until this afternoon at 1:00 p.m. and Mr. Suttle pointed out that was because there was a holiday on Monday.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 242-84 BE ADOPTED.

- (b) Resolution No. 243-84 requests authorization to defer a rehabilitation loan to Nolan Frank and Frances Lung for Parcels 1129-I and 1129-Q, 1800 Turk/1101 Divisadero and 1107-1111 Divisadero Street in the Western Addition A-2.
- (c) Resolution No. 244-84 requests authorization to expend funds for temporary accommodations for the Hart Family during rehabilitation.



NEW BUSINESS (continued)

Mr. Hamilton reported on items (b) and (c) as follows. In May of this year an LDA was authorized with the developer who proposes to rehabilitate the two buildings into a single 16-unit residential project and to provide two units to house the current tenant at 1800 Turk Street, Robbie Hart and her family. The LDA includes: a future opportunity for Mrs. Hart to buy her unit and a lifetime lease with her son for the second unit; 15-year housing assistance payment contracts with the Housing Authority for at least the two Hart family units; restricted sales of any unit for at least 15 years, thereafter, the conversion of the property into condominiums is allowed, and to facilitate Mrs. Hart's ability to buy her unit upon the conversion of the site to condominiums. Development costs are estimated at \$1,000,000. The developers were only able to obtain a loan commitment of \$711,000 from the California Housing Finance Agency which leaves a cash requirement of \$289,000 from the developers. The project return on this investment as a rental development would only be 5.8%, which understandably the developers do not consider to be sufficient and have requested the Agency's assistance in reducing the cash requirement. Staff in recognizing that the successful development of these properties is in the Agency's best interest has explored alternate means and proposes using the A-2 Housing Fund as the source of this Deferred Loan. The payment of principal and interest would be deferred for an initial period of 5 years, with a review of the rental income and expenses at that time to determine whether sufficient rent adjustments will have been made through the Section 8 contract to allow the loan to be refinanced. If not, the deferment will be extended an additional 5 years, with an additional 5 years if necessary for a total of 15 years maximum. This loan will require that all sixteen units be committed to low-to-moderate housing during the rental use period through the Section 8 Moderate Rehabilitation Program. Even if the Harts move prior to the 15 year period the units will remain under the Section 8 program. Other terms would be that the loan will not be assignable or transferable by the developer without prior written consent of the Agency and no additional encumbrances beyond the rehabilitation loans will be allowed against the property without first paying off the Agency loan in full. OCD has indicated that if this deferred loan is approved, an additional \$40,000 under the State Deferred Rehabilitation Loan Program will be made available to the developers with OCD acting as lender. With the assistance programs in place, and the developers cash requirement of \$149,000 the return would be 11.2%, which together with equity growth makes it a viable rental project. The Harts will continue to occupy their current unit at 1800 Turk until completion of the adjacent building whereupon they will be moved to and housed temporarily therein while their permanent units are being rehabilitated at the other building. The developers have requested compensation for the additional costs they will incur because of the constraints to their construction activities by the accommodation of the Harts during the construction period. Staff has determined those costs to be \$26,362. In addition the developers have requested they be paid

NEW BUSINESS (continued)

\$500 a month as rental fee while the Harts are accommodated at 1800 Turk until their transfer to the temporary accommodations. Then the developers will receive rental payments equivalent to Section 8 rates until the permanent units are completed at 1800 Turk, which are currently \$1,067 for a 4-bedroom and \$714 for a two-bedroom unit totalling \$1,781 per month. This would be an estimate of \$47,000 dependent on duration of occupancy and construction time. The Housing Authority has indicated it may be possible to begin payments of Section 8 rents when the Harts move to their temporary quarters if a Certificate of Completion can be issued for that portion of the combined buildings. Staff will make every effort to effect the Housing Authority payments at the earliest date. Staff believes these commitments are necessary to (1) preserve buildings in the Western Addition to continue the housing inventory and (2) to solve a very difficult relocation problem for the Harts.

Mr. Pleasant Carson, WAPAC, spoke in favor of this item.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 243-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 244-84 BE ADOPTED.

- (d) Resolution No. 245-84 requests authorization to award Demolition and Site Clearance Contract No. 83 to Charles S. Campanella, Inc. in the amount of \$23,700.

Mr. Hamilton reported on item (d) as follows. This contract provides for demolition and site clearance of a two-story wood frame residential building located at 1852-1858 Sutter Street in the Western Addition A-2. The Nihonmachi Community Development Corporation is proposing to construct a Japanese Cultural Community Center on this site. Bids for this contract were opened on August 20. Two bids were received with Campanella being the low bidder at \$23,770. Although the bid is 7.5% above the Engineer's estimate of \$22,110, staff believes rebidding the contract may not produce a more favorable bid. The contractor's safety program and Affirmative Action Program have been approved.

Ms. Mary Rogers and Mr. Pleasant Carson, WAPAC, indicated there had been problems previously with Mr. Campanella regarding his Affirmative Action Program and wanted to make sure he would comply this time. Mr. Gene Suttle, Project Director, Western Addition A-2, indicated there had been a meeting this morning with Mr. Campanella and everything is satisfactory regarding his Affirmative Action Program.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 245-84 BE ADOPTED.

NEW BUSINESS (continued)

- (e) Resolution No. 246-84 requests authorization of exclusive negotiations until November 21, 1984 with Western Commercial Partnership for Parcel 3A (708-B) located on the southside of Geary Blvd. between Fillmore and Webster in the Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. Western Commercial intends to develop the subject property which will be sold with the "Mayfair Building" and all common area improvements in place. The two General Partners, Kwok Hung Szeto and Che Shang Chao have provided evidence of their ability to acquire and develop the property including evidence it has completed mixed use developments comparable to that proposed. To assist in this development they have engaged the following firms: VBN Corp., who was the architectural firm for the public and private development of the Safeway complex; U.C.I. Consulting Services, whose president Nicholas Dempsey represented Safeway in its dealings with the Agency, will act on its behalf in carrying on and concluding its arrangements to purchase and develop the property; and the real estate firm of Dewbury/Spagnolly to undertake the leasing of the project. The developer pledges to make a concerted effort to provide market rate opportunities for able existing neighborhood merchants, community persons and A-2 Business Certificate holders to lease space and take advantage of employment in the development. WAPAC has taken the proposed development under advisement and Fillmore Merchants voiced enthusiastic support.

Mr. Pleasant Carson, WAPAC, indicated his concerns about this development and requested it be held for a month as WAPAC has no official position on this partnership and they are unclear about everything. Mr. Gene Suttle, Project Director, Western Addition A-2, indicated that the participants in the development appeared before WAPAC's Planning Housing and Development Committee on August 9 and gave a full presentation. Also the same presentation was made to the Fillmore Merchants Association.

Ms. Mary Rogers, WAPAC, indicated she had concerns about economic opportunities for Black people in this development and it would make good sense to somehow find ways to help the small Black developers develop those parcels.

Mr. Howard Thompson, Fillmore Merchants and Improvement Association, indicated they had listened to the developer's presentation and voted unanimously to approve their proposal and requested the Commission grant this developer exclusive negotiating rights, as it is time to develop this commercial center.

Ms. Essie Collins, WAPAC, indicated she concurred with Ms. Rogers comments and would like to wait and see what the City's Economic Development might do for this area.

NEW BUSINESS (continued)

Ms. Mary Jane Staymates, Western Addition Neighborhood Association, indicated she concurred with Mr. Thompson's comments, she had heard the developer's presentation and she felt this development would give a better opportunity to small businesses than if a big chain came into the area.

Mr. Nicholas Dempsey, Western Commercial Partnership, indicated they had made every effort to meet formally or informally with every community group they could. This project is designed to accommodate the small businessman in the Western Addition. It is the developer's goal that every tenant in this development be community based, either franchises or operators of triple A tenancies. The cost of the land is such this will not be an easy development and there will be a very aggressive marketing program to make it work.

Mr. Newman indicated that he regretted that the Commission had not gotten to see the presentation that WAPAC had viewed as he had only seen staff's recommendation. This site is one of the most important corners in the whole Fillmore project and he didn't know anything about the developers or what they plan to do and until that time he was not prepared to grant them exclusive negotiating rights. He inquired what the developer had done in the past and how good they are and Mr. Dempsey indicated the Western Commercial Partnership is composed of Mr. Szeto as the primary partner. He has in the last three years been very aggressive in just this type of commercial development. Mr. Dempsey showed the Commission photos of developments Mr. Szeto has done and described what is planned for the subject parcel.

Mr. Newman indicated that he did not have a definite position in his own mind as to what is the most desirable type of tenancy for that type of building and inquired whether the neighborhood wanted national franchises or would they prefer local independent merchants who have no connection with national franchises.

Mr. Hamilton indicated that the expectation, as has been expressed in the Neighborhood Development Program document, that the development scheme that was the general basis for the UDAG and all the attendant development that would happen in the area, clearly anticipated the more preferred and desired approach of the small neighborhood entrepreneurs. It has always been the Agency's desire and expectation to make available space of a size that they could successfully operate for businesses who had been displaced or who are now operating and could move into that. Larger national franchises that have no roots in the community like the Merrill's scenario, which clearly is more financable, but cuts diametrically across the objectives the Agency has held for the area. That is why this kind of approach with a developer who has the experience and capacity and commits himself to the Agency's objective is the way to go and the best opportunity for local entrepreneurs to occupy, operate and be part of the economic success of the area, not a national franchise.



NEW BUSINESS (continued)

Mr. Newman inquired what percentage of local tenants could be found who would have a stake in the community rather than a national franchise and Mr. Dempsey explained that there are differences between franchises, such as the differences between Hallmark and Burger King. Where there is a local business that is able financially and professionally to carry on a business in this center, they would prefer them in every instance. This proposal deals directly with the goals of the Agency as stated in the Redevelopment Plan and is as this developer understands, after working with the community groups in the Western Addition for four years, is in total response to the community and this Commissions' desires.

Mr. Newman indicated he felt the mix of tenancies in this development is very important. Safeway has been very successful with the business they have been able to generate and the Commission wants these stores to be very successful too. It is very important that there be a mix of quality small tenants who will appeal to the neighborhood and to the City at large, not to just take franchises that are financable. The Agency should have some control in terms of approving the type of tenants that go into that development, keeping in mind the economic value of having stability from major companies who are franchisers, but also giving an opportunity to the small tenants to give some character to the development. He indicated that he is in favor or the proposal and recommendation, but believed the Agency should also have the right to oversee the whole leasing plan.

Mr. Hamilton proposed that as part of the exclusive negotiations period that appropriate tenant mix clauses be developed that will assure the type of mix believed appropriate for the area.

Mr. King indicated he was in favor of this proposal and agreed with Mr. Newman's comments. Regarding Ms. Rogers' comments, the Agency has tried to get minority participation, but has not been successful. The Agency can no longer hold up the development of these parcels as there is a need to move ahead.

Mr. Mardikian inquired what local resident meant in reference to Mr. Szeto and Mr. Chao and Mr. Hamilton indicated they are San Francisco based, not community based. Mr. Mardikian indicated that in the memorandum to the Commission it indicated that Mr. Szeto and Mr. Chao may look for additional limited or general partners and inquired if any effort had been made to do that within the community and Mr. Dempsey indicated as recently as three weeks ago they approached developers who have worked in the community and have done some development on Van Ness who are Black developers and well known to this Commission. They were offered a position in the interest of facilitating the Affirmative Action goals of this Agency, however, as of the last communication with them they were not terribly excited by the location.



NEW BUSINESS (continued)

Mr. Mardikian inquired if Mr. Szeto and Mr. Chao were at the meeting today and Mr. Dempsey indicated no. Mr. Mardikian indicated this is a very important corner, as Commissioner Newman mentioned, and he would like to encourage Mr. Szeto and Mr. Chao to be at the meetings. Mr. Dempsey indicated they would be at any further workshops and if there is to be an LDA brought before the Commission they will be at that meeting.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 246-84 BE ADOPTED.

- (f) Resolution No. 247-84 requests authorization of Exclusive Negotiations with the Bay Area Residential Investment and Development Group (BRIDGE) for Block 4591-A, Lot 5, located adjacent to and northeasterly of Mariners Village known as Solomon Village in the vicinity of the Hunters Point Redevelopment Project Area.

Mr. Hamilton reported on item (f) as follows. BRIDGE is a nonprofit organization formed to assist in the development of affordable housing in the Bay Area. They have received various corporate and foundation grant awards to provide development seed money and technical assistance. They propose to construct approximately 68 condominium dwelling units on 4.2 acres acquired by the Agency from the U.S. Government at the same time it acquired Mariners Village and an additional 28 units on an adjacent 1.3 acres owned by the Housing Authority. The terms of the sale of this property to the Agency is being negotiated. A sales price per unit of \$70,000 is proposed. The economic analysis supporting this price suggest that while the project can absorb a reasonable land value and maintain the affordable prices, it cannot absorb the cost of certain required site improvements. In anticipation of this need, the current Agency budget provides for \$490,000, with an additional \$200,000 requested for 1985 specifically for Solomon Village site improvements. The anticipated arrangement would be for the Agency to contract with BRIDGE to reimburse BRIDGE for site improvements for the amount available in the budget. BRIDGE would in turn agree to prepare all plans and specifications for Agency review and would contract to produce the affordable housing. Exclusive Negotiations, until December 5, and required to support BRIDGE's application for City Mortgage Revenue Bond funds which would be used for permanent financing. Staff has reviewed the qualifications and capacities of BRIDGE and believes that they are capable of carrying out this project. The proposal has merit and would provide a greatly needed supply of affordable ownership housing.

Mr. Newman indicated he had read the brochure on BRIDGE and was very impressed. He believed it a very worthy project and great for the City and Bay Area and thinks it an excellent arrangement if we can work out the details.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 247-84 BE ADOPTED.

- (g) Resolution No. 248-84 requests authorization for Redmond F. Kernan, Senior Deputy Executive Director to travel to Boston, Massachusetts to attend the Urban Land Institute (ULI) 1984 Fall meeting from October 16-20, 1984.

Mr. Hamilton reported on item (g) as follows. The ULI is primarily made up of those involved in the real estate and development field, as well as professionals in related activities. The conduct two major meetings each year featuring thoroughly researched presentations of development cases which illustrate various aspects of land use, planning, financing and development implementation. Agency staff is involved with many of the issues being discussed and I believe it will benefit the Agency to have Mr. Kernan participate in these meetings. As an executive group member, Mr. Kernan will also be attending the Development Systems and Services Council that convenes one day prior to the conference. Mr. Kernan is in the position of working with the Agency's development program on a daily basis and it is therefore appropriate he attend the conference and executive group meeting. Cost will not exceed \$1,500.

Mr. Kernan's travel is conditioned, as is all travel, that should there be a conflict Mr. Kernan will not go.

Mr. Mardikian indicated he had attended the last ULI meeting held in San Antonio and found the conference, that he attended as a private individual, to be extremely informative and interesting. He believed that in 1985, ULI would hold one of their meetings in San Francisco. He suggested that Mr. Kernan check to see how the members of this Commission might be able to attend the ULI Conference in San Francisco, because the caliber of the meetings and the discussions are as fine as exist anywhere with regards to land development.

Mr. Kernan indicated he would be glad to do that. ULI did have a conference here in 1980 and staff provided a lot of support to their program and conference and arranged for Commissioners and staff who wanted to go to attend the meetings.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 248-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 249-84 requests authorization to amend the LDA with John and Yvette Marchock and Jeannette and Henry Fung for the parcel located on the northside of Ellis between Broderick and Divisadero in the Western Addition A-2.

MATTERS NOT APPEARING ON AGENDA (continued)

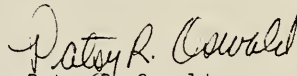
Mr. Hamilton reported on item (a) as follows. The developer proposes to build two flats, selling one and retaining the other. The development had proceeded on schedule and all documents were placed into escrow on August 8 with August 15 as the conveyance date. Just prior to conveyance a disagreement arose between the City and the construction lender Mission National Bank. Before issuing the subdivision map the City required written assurance from the lender that the development would go forward according to plan. The lender was reluctant to provide such a letter before the construction loan closing which was anticipated to occur after issuance of the building permit and at the time of conveyance. The matter has now been resolved and conveyance is anticipated within the next two weeks. Extending the conveyance date to September 28 will allow ample time in case of an unexpected delay in the execution and recording of the closing documents.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 249-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Mardikian, seconded by Mr. Newman and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:40 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

October 9, 1984

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
11TH DAY OF SEPTEMBER 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 11th day of September, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Haig Mardikian  
Walter S. Newman

DOCUMENTS DEPT.

APR 1 - 1985

and the following was absent:

Charlotte Berk  
H. Jesse Arnelle

PUBLIC - 1985

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Mary James, James Company; Wayne Sachs, Reuben, Quint & Valkevich; Mary Rogers, Western Addition Project Area Committee (WAPAC); Lafayette Jamerson, Luchan Baker, Lavolia Baker, Leo Arnold, Essie Collins, Calvin Rigsby and George Nulley, interested citizens.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) For the Rincon Point-South Beach Redevelopment Project Small Boat Harbor, the issuance of \$45 million in lease revenue bonds and other issues attendant thereto were approved on second reading by the Board of Supervisors today.

UNFINISHED BUSINESS

- (a) Public Hearing to hear all persons interested in the Assignment of Interest in the Land Disposition Agreement for Parcel 785-A(1), Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 226-84 requests authorization of an Assignment of Interest in the Land Disposition Agreement for rehabilitation, as

UNFINISHED BUSINESS (continued)

amended, by Elizabeth Jamerson jointly to Luchan and Lavolia Baker for Parcel 785-A(1), 685-91 McAllister Street, located on the southeast corner of Gough and McAllister Streets, Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. This matter has been continued for several meetings awaiting a signed Assignment Agreement, which, just prior to commencement of this meeting, has been accomplished. However, the certification of costs by the Certified Public Accountant does not include three items, which have been added to those costs documented by the CPA. So approval of this assignment is subject to the CPA's review of those items and subject to the determination that they are allowable costs. Counsel advises that this approval should be for a 30-day period, that is, if any of the fees which are claimed are not capable of CPA verification, the assignment would be effective but without the payment of those sums.

Mr. Leo Arnold, an attorney representing Mrs. Elizabeth Jamerson, indicated this should be done within thirty days, but there may be some problems over which he has no control that could cause a delay.

Mr. Lafayette Jamerson indicated he had a grievance over exercising his certificate of preference for this property.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

President Lee requested Mr. Hamilton to comment on Mr. Jamerson's concerns about his Certificate of Preference. Mr. Hamilton indicated that, in light of the fact that the rehabilitation of the building was not completed, the benefits to be realized by the exercise of Mr. Jamerson's certificate will never occur. Therefore, the certificate should not be considered exercised and Mr. Jamerson's business certificate should be restored.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 226-84 BE ADOPTED.

NEW BUSINESS

- (a) Resolution No. 250-84 requests authorization of a Second Amendatory Agreement which revises the performance schedule of the Land Disposition Agreement for 60 days with Essie Collins for the development of Parcel 1126-B, located on the north side of Eddy Street between Broderick and Divisadero Streets in the Western Addition A-2.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (a) as follows. An LDA was authorized in November, 1983 with Essie Collins for the development of 13 market rate residential condominiums consisting of one, two and three bedroom units. The development was redesigned to comply with the City building codes and reduce costs. The design approach has resulted in a more attractive, marketable and less expensive development. Ms. Collins has requested a 60 day extension that would change the dates in the performance schedule to accomplish completion of final construction documents. The key performance dates in the LDA are Submission of Evidence of Financing no later than December 12, 1984 and Conveyance of the Site no later than February 13, 1985.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 250-84 BE ADOPTED.

- (b) Resolution No. 251-84 requests authorization to enter in Exclusive Negotiations with James J. Doherty for the Purchase and Rehabilitation of Parcel 755-B, 1300 Golden Gate Ave., a residential and commercial structure located on the northwest corner of Fillmore and Golden Gate Avenue in the Western Addition, A-2.

Mr. Hamilton reported on item (b) as follows. On October 4, 1983 an LDA was authorized for Private Rehabilitation with the James Co. who had submitted one of the five responses to the offering. The LDA required that satisfactory evidence of financing be submitted by January 3, 1984. However, despite several extensions, the James Co. was unable to develop this property. In a letter dated June 19, 1984, the Developers were advised of the Agency's intention to terminate the agreement and that action occurred July 10, 1984. Since failure to submit evidence of financing was due to some extent to apparent differences between the partners and also because a HUD Section 312 loan had been allocated and set aside, the James Co. was advised that staff would consider recommending a new LDA to the Commissioners providing matters could be resolved, but the Developers failed to satisfy the requirements. This building is the subject of a San Francisco Superior Court Building Code Enforcement Proceedings and it seems appropriate to expedite the development. Staff therefore, recommended entering in Exclusive Negotiations with an original respondent to the offering. Mr. Doherty is one of the original respondents. A sixty day period of exclusive negotiations with Mr. Doherty is recommended. He is required to modify the plans and specifications and submit his affirmative action program for the project. He has indicated a willingness to work out a mutually beneficial tenancy arrangement with Mrs. James. Mr. Doherty has successfully completed several other rehabilitation projects in the Western Addition.

After comments from Mary James, George Nulley, Mary Rogers, Calvin Rigsby and Wayne Sachs, Mr. Hamilton further reported that if some resolution acceptable to HUD is not found soon, there is

NEW BUSINESS (continued)

risk of losing the HUD loan. A one-week continuance would be sufficient to assess whether or not a recommendation can be made to go with some remnant of the original partnership if everything is in place. If that can be done it would realize the original objective, which was to provide an opportunity for Mrs. James to continue to operate the business and to provide an equity position for her.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, item (b) would be continued for one week. There being no objection, it was so ordered.

- (c) Resolution No. 252-84 requests authorization to extend Exclusive Negotiating Rights with O & Y Equity Corp./Marriott Corp./Beverly Willis to November 14, 1984, for the Central Blocks and
- (d) Resolution No. 253-84 requests authorization to extend Exclusive Negotiating Rights to November 14, 1984 for the parcels located on the east side of Third Street between Mission and Howard Streets in the Yerba Buena Center.

Mr. Hamilton reported on items (c) and (d) as follows. Negotiations between staff and O & Y are now virtually complete and it is anticipated that the final document drafts will be made public within two weeks. The presentation of the proposed design, project scope and basic aspects of the transactions presented on April 12 have been made available to various groups and those presentations are still continuing. It is anticipated that review of the Development Disposition Agreement (DDA) documents will be completed by the end of the month and about that time the required legal steps can be initiated. It is recommended that an extension to November 14, 1984 be permitted to complete the process though it is anticipated the full time will not be required.

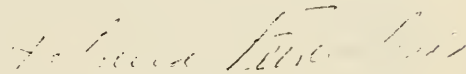
ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 252-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 253-84 BE ADOPTED.

ADJOURNMENT

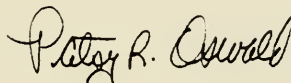
It was moved by Mr. Mardikian, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:05 p.m.

Respectfully submitted,



Patricia Feinsilver  
Acting Secretary

Edited by



Patsy R. Oswald  
Secretary

APPROVED

February 19, 1985



SF  
R35  
#4  
9/18/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
18TH DAY OF SEPTEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 18th day of September, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
H. Jesse Arnelle  
Haig Mardikian  
Walter S. Newman

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and the following were absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were

Ocie Mae Rogers, Joint Housing Committee; Willia Innes, Mary D. James and Erik Nizuhara, The Fillmore Store; Michael Garrigues and Calvin Grigsby, Interested Citizens.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) Public Hearings are being held tonight on San Francisco's 1985 Community Development Preliminary Proposal. The hearings begin at 7:00 p.m. in the Board of Supervisor's Chambers. The Executive Director and Project Directors will be in attendance.
- (b) A response was made to the recent television cover story on concerns expressed regarding Opera Plaza's occupancy. Staff will be meeting with the lenders and management of Opera Plaza and will prepare a full report, including the initial occupancy profile. The report should be available within ten days.
- (c) Commissioner Mardikian will be sworn in this Friday, September 21 at 11 a.m. in the Mayor's Office, Room 200, City Hall.



UNFINISHED BUSINESS

- (a) Resolution No. 251-84 requests authorization of Exclusive Negotiations with James Doherty for the purchase and rehabilitation of 1300 Golden Gate/1101-1123 Fillmore Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. After public comments had been taken at last week's meeting, it was requested that this item be continued for one week for an opportunity to review and evaluate those comments as they related to the continued desire of the James Company to develop the subject property and to meet with the parties involved.

The Agency wishes to involve Mary James in the project both as a tenant and an equity partner. A new partnership has been formed called the Golden Gate/Fillmore Limited Partnership. Staff met with Mr. Calvin Grigsby, Ms. Mary James and other members of the partnership last Friday. The Agency had obtained a Section 312 loan allocation of \$500,000 for this project; however, the deadline for submittal has passed and previously allocated funds are being used on a first-come, first served basis. Washington has been called to try to keep the loan allocation in place, but for this project, there is no assurance that this will happen, and it should be anticipated that financing the project must be arranged without the HUD loan. The lenders proposed by the Golden Gate/Fillmore Partnership have indicated that financing will be available and Mr. Grigsby has assured staff that all will be in place within 30 days. Staff can then inform the court, as this property is under building code abatement proceedings, that financing is in place.

Mr. Borregard indicated that Resolution No. 251-84, should not be acted on, but a substitute resolution No. 256-84, which would be in the usual form of exclusive negotiations for a thirty-day period should be adopted under the new partnership Golden Gate/Fillmore Limited Partnership.

Ms. Berk inquired as to the reason last week's recommendation is being dropped and Mr. Hamilton indicated that it is the Agency's desire to preserve Ms. James' tenancy in the building and to also put her in an equity position in the project. Now with this modified partnership, a substitute of the original, staff believes that will happen.

ADOPTION: IT WAS MOVED BY Mr. King, SECONDED BY Mr. Arnette, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 256-84 BE ADOPTED.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 1127-L; Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 254-84 requests authorization of an LDA with Ellis Street Associates for purchase and rehabilitation of the building at 1917 Ellis Street in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. Exclusive Negotiations were authorized in April of this year for the developers Mark Wilder, Craig Martin and Michelle Clark of Ellis Street Associates to rehabilitate this single-family Victorian structure into a two-family dwelling. These Exclusive Negotiations expired in June with two unresolved issues, (1) the schematic architectural plans had not been approved by the Agency, and (2) the disposition price of \$125,099.99 set by the Agency had not been accepted by the Developer. A public hearing was scheduled on July 17 in anticipation of resolving these issues. However, they were unresolved at that time and consideration of the proposed LDA was tabled indefinitely. Since that time, the developer has met with staff and has satisfactorily submitted those requirements necessary to proceed. The LDA provides for the following key performance dates. Submission of Evidence of Financing by March 20, 1985 and Conveyance of the site by May 15, 1985.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY Mr. King, SECONDED BY Mr. Mardikian, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 254-84 BE ADOPTED.

- (b) Resolution No. 255-84 requests authorization of a Second Amendatory Agreement to the LDA with BARCO Developers for Parcel AA-2 located on the north side of Keith Street between Fairfax and Hudson in Hunters Point.

Mr. Hamilton reported on item (b) as follows. An LDA was authorized in April 1983 with BARCO who proposes to develop a mix of 67 townhouses and flat-over-flat dwellings in 3 phases. A First Amendatory Agreement was authorized in June of this year that revised the number of units to be constructed and the performance schedule. The construction lender is requiring that at least 50% of the Phase I units have firm take-out loan commitments before advancing funds for Phase II, and similarly for Phase III. Therefore, the developer and lender are requesting an extension of the performance schedule to start construction of Phase II from June 1985 to March 1986 and start of construction for Phase III from December 1985 to April 1987. Conveyance of the entire site is expected to occur within thirty days after approval of this Second Amendatory Agreement. Should that not happen by October 10 the property will be reappraised.

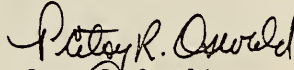
ADOPTION: IT WAS MOVED BY Mr. Newman, SECONDED BY Mr. Arnette, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 255-84 BE ADOPTED.

Minutes of a Regular Meeting, September 18, 1984

ADJOURNMENT

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the meeting by adjourned to a closed session on litigation. The meeting adjourned at 4:25 p.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Patsy R. Oswald". The signature is fluid and cursive, with the first name "Patsy" being the most prominent.

Patsy R. Oswald  
Secretary

APPROVED

October 23, 1984

SF  
R35  
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1/25/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
25TH DAY OF SEPTEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 25th day of September, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

H. Jesse Arnelle (arrived at 4:35 p.m.)

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Bay View Hunters Point Joint Housing Committee; Albert Goldschmidt, Birr Wilson; Roy Chew, Interested Citizen.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The Japanese Cultural and Community Center will be holding Ground Breaking Ceremonies for the Center on Friday, October 5 at 4 p.m. at the construction site, 1850 Sutter Street.
- (b) Frank Cannizzaro, the Project Director for Rincon Point-South Beach, attended the California Department of Boating and Waterways Commission Meeting last Friday in Avalon, California. The second increment loan for the South Beach Small Boat Harbor in the amount of \$3,100,000 was presented to that Commission by Mr. Cannizzaro at their request. Mr. Cannizzaro has advised he was successful in obtaining these funds.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the conveyance of Parcel C-8, Hunters Point.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 257-84 requests authorization to execute a deed for conveyance at no cost of Open Space Parcel C-8 to Unity Homes, Inc., owner of the adjacent subsidized housing, Site 3, in Hunters Point.

Mr. Hamilton reported on item (a) as follows. On September 13, 1983, the Commission authorized conveyance of several parcels of open space to Unity Homes and other developers of subsidized housing in Hunters Point, however, Parcel C-8 was inadvertently omitted from that action. The current proposal would correct that omission. In planning the first subsidized housing for Hunters Point, substantial cost-saving revisions were necessary to meet HUD's statutory mortgage limits. Therefore, landscaping and maintenance of the unbuildable sloped areas within the developments were not included in the mortgage package. The Agency used other funding to improve these open space areas at no cost to the individual developers, and as the City's Department of Parks and Recreation would not or could not assume responsibility for maintenance of these areas, the Agency assumed that responsibility. In mid-1981 the Agency was informed that maintenance of open space is not an eligible use of HUD Block Grant funds. Open Space Parcel C-8 is highly irregular in shape, has limited street frontage and moderate to very steep sloping terrain. Staff's investigations have determined that this parcel is totally unmarketable except as an open space area. Accordingly, staff recommends that ownership of the open space area be transferred to Unity Homes at no cost. The deed is subject to the condition that the property conveyed shall be used for open space purposes only.

There being no persons wishing to appear in connection with this matter, the President declared the public hearing closed.

Mr. Newman inquired if the open space would be maintained by the developer or the owners and Mr. Hamilton indicated Unity Homes will continue the maintenance. President Lee inquired about the size of the open space and who had determined it was unbuildable and Mr. Richard Kono, Chief, Real Estate and Development, indicated that independent appraisers have looked at this 16,000 square feet of property that serpentine throughout the existing housing and though the square footage looks like a lot it cannot be built on.

Mr. Newman inquired that if the owners should fail to maintain the open space and it becomes a trash pile, what course of action could the Agency take to ensure its maintenance. Mr. David



NEW BUSINESS (continued)

Oster, Assistant Agency Counsel, indicated that he had not personally reviewed this particular deed, and thus he did not know what the specific remedy would be if it were not maintained. However, he believed that the adjacent landowners or the Agency could take action to ensure its maintenance. President Lee inquired if the land owner could decide to build in the future and Mr. Oster indicated no, because of conditions attached to the deed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 257-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 714-A(2), Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 258-84 requests authorization of a Land Disposition Agreement with U. F. Service Corporation for the parcel located on the northwest corner of Myrtle Street and Van Ness Avenue in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. In March of this year exclusive negotiations were authorized with United Bank, Morris Bernstein and Donald Sweet (UBBS) to construct retail commercial, office space and 30 market-rate condominiums. This was after initial exclusive negotiations were requested in January of 1984 when UBBS proposed a low-rise office building. However, the matter was continued at that time to permit staff to consider the need for housing on Van Ness Avenue, which staff subsequently found preferable. Since the original offering did not give housing as a preference, all proposals were rejected. Only two of the original five proposals received contained a provision for housing, consistent with the City's proposed Van Ness Avenue Plan. One of these was submitted by the Sprincin Partnership. Independent of the Agency, UBBS and the Sprincin Partnership reached an agreement which resulted in the purchase of Sprincin's plans by UBBS. The new UBBS proposal satisfied Agency and City concerns about mixed-use development and saved an estimated \$4,000 in not having to reoffer the site. The design has been modified to increase the office space from 24,000 to 52,000 square feet by reducing the size of the residential units, while maintaining the same number of units. The developer entity will be U. F. Service Corporation, a subsidiary of United Bank. The key performance dates will be to submit evidence of financing by July 30, 1985 and to convey the site by September 4, 1985.

There being no persons wishing to appear in connection with this matter, the President declared the public hearing closed.

NEW BUSINESS (continued)

Ms. Berk inquired about the size of the units and Mr. Hamilton indicated they would be 550-750 square feet instead of 1,000 square feet.

Mr. Newman inquired if architectural staff had reviewed the design and Mr. Edmund Ong, Chief of Architecture noted staff's design concerns and indicated the developer's architect is prepared to make modification in the next phase of the design process. Mr. Newman indicated he was not prepared to approve this item until he could see what the building will look like and Mr. Hamilton indicated the Commission is being asked to approve the LDA not the design and that these are simply the concept drawings. Mr. Newman indicated he would approve the LDA, subject to review of the design.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 258-84 BE ADOPTED.

- (c) Resolution No. 259-84 requests authorization of consultation services with the San Francisco Museum of Modern Art for the installation of two Aaron Miller murals in the Fillmore Office Building, located on the east side of Fillmore between O'Farrell and Ellis Streets in the Western Addition A-2.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that item (c) be continued for one week at staff request. There being no objection, it was so ordered.

- (d) Resolution No. 260-84 requests authorization of a Mortgage Loan Purchase Agreement and a Servicing Agreement with Colonial Mortgage Service Company Associates, Inc. in connection with the Agency's Residential Mortgage Revenue Bonds, 1984 Issue A, for certain developments in the Western Addition A-2 and Hunters Point Redevelopment Project Areas.

Mr. Hamilton reported on item (d) as follows. These bonds were issued in connection with Bushmoor Associates' development of 52 units, Suttermore Corporation's 48 units, and Kimball Park's 20 units, all in the Western Addition A-2, and for R & J Futuristic's LaSalle Heights development of 90 units in Hunters Point. On April 10, 1984 the Commission approved issuance of these bonds and execution of a Mortgage Loan Purchase Agreement and a Servicing Agreement with Wells Fargo Mortgage Co. Since that time, R & J Futuristic has requested that the Agency expedite the sale of its units by providing an additional lender to serve as a mortgage loan originator and servicer. The underwriter and bond counsel have approved this addition.

Ms. Berk inquired if this action would require any expenditure by the Agency and Mr. Hamilton indicated no.

NEW BUSINESS (continued)

Mr. Arnette arrived at this time 4:35 p.m.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 260-84 BE ADOPTED.

- (e) Resolution No. 261-84 requests authorization of a Professional Services Contract with Archeo-Tec for Historic and Archaeologic Consulting Services in the Rincon Point-South Beach Project Area in an amount no to exceed \$29,900.

Mr. Hamilton reported on item (e) as follows. The final Environmental Impact Report/Statement, certified in November, 1980, required that the Agency conduct additional historic and archaeological investigations in the area. In mid-July, staff sought the interest of archaeologists and historians to perform (1) further archival research, (2) an oral history for the Project Area, and (3) provide continuing archaeological monitoring during excavation. Five firms submitted their Statements of Qualifications. A selection committee of staff interviewed all five firms and recommended to the Executive Director that, based on the qualifications of those firms interviewed, the work tasks should be divided into two separate contracts. Based on that recommendation, staff was directed to negotiate the additional archival research and archaeological monitoring of excavation with the firm of Archeo-Tec, and the oral history with Mason Tillman Associates from Berkeley. Negotiations for the oral history contract have not been concluded, however, staff hopes to conclude these negotiations shortly and to bring that contract forward for your approval at the second Commission meeting in October. Negotiations with Archeo-Tec for archival research and archaeological monitoring have been successfully completed. The Agreement calls for the additional archival research to be completed in 90 days; the production of a short Summary Handbook (indicating the location of historic buildings and possible subsurface cultural resource sites) to be completed in 120 days; and for continuing provision of archaeological monitoring during excavation of those sites identified by the archival research as potentially culturally sensitive. These professional services are necessary to assess the impact of development in Rincon Point-South Beach on underground cultural resources and to determine solutions to mitigate or avoid that impact.

Mr. Newman inquired if the combination of the two contracts falls within the budget and Mr. Thomas C. Conrad, Chief Planning, Programming and Housing indicated he believed the total for both contracts will be less than \$50,000; and Mr. Frank Cannizzaro, Project Director, Rincon Point South Beach noted that approximately \$20,000 is in CDBG funds and \$20,000 is in the harbor contract, so the two contracts will come in close to the budgeted figure. President Lee inquired what the timing restraints are

NEW BUSINESS (continued)

and Mr. Cannizzaro indicated the contract is for 120 calendar days and the monitoring will go on until the work is either completed or the money runs out.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 261-84 BE ADOPTED.

- (f) Resolution No. 262-84 requests authorization to issue \$18.6 million in revenue and tax allocation notes for the South Beach Harbor Project.
- (g) Resolution No. 263-84 requests authorization to call for bids for the notes, approves the official statement and official notice of sale of notes, and authorizes our financial consultant, Birr Wilson, to bid for purchase of the notes.

Mr. Hamilton reported on items (f) and (g) as follows. The resolution before you requests authorization for issuance of \$15,000,000 principal amount of one year notes, which was the recommendation of the Agency's financial advisors contingent upon Senior level staff review. Senior Staff and the financial advisors have now determined, for sound fiscal reasons, that the three-year note arrangement preferable. Accordingly, authorization is now requested for \$18.6 million which, because of the three year time frame, includes three years prepaid interest.

Mr. David Oster, Assistant Agency Counsel, indicated that in connection with this issue there will be a Fiscal Agent, who will serve as a trustee for the notes. The name of the firm that will serve as Fiscal Agent has not yet been identified in the documents, and the financial advisor is still confirming bids from different financial institutions to perform the work. At this time, Bank of America is recommended as the Fiscal Agent subject to the confirmation that their rates are competitive. If their rates are not competitive, staff will inform the Commission of an alternate recommendation.

Mr. Hamilton indicated that these funds will be used for clearance of the boat harbor site, construction of the breakwater and the berthing system, and other related costs. Some of the funds will also be used in preparing for rehabilitation of Pier 40. The Agency's receipt of bids for notes and award of sale is scheduled for October 16.

Mr. Newman inquired if Birr, Wilson would be the only bidder and Mr. Albert Goldschmidt, Birr, Wilson, indicated authorizing his firm to bid is in no way intended to preclude others from bidding and will assure there will be at least one bid. Mr. Newman inquired if the bids would be opened at Birr, Wilson's office and Mr. Goldschmidt indicated that sealed bids would be opened at Jones Hall Hill & White's offices. Mr. Newman inquired about the



NEW BUSINESS (continued)

term of the notes and Mr. Goldschmidt indicated that the main consideration was the safety factor of three year notes. The three year notes assure the interest will be funded until the project is completed and thereby provide maximum level of security for the notes.

President Lee inquired if the potential for conflict of interest has been examined and Mr. Goldschmidt indicated affirmatively and that based on the structure of this bond issue and the manner of distribution of information, that there is no conflict of interest.

Mr. Arnelle inquired if it is necessary that one bidder take all the notes and Mr. Oster indicated affirmatively as usually there will be a syndicate formed by investment bankers who will bid. Mr. Arnelle inquired if there will be individual buyers of the notes and Mr. Goldschmidt indicated buyers will be buying in \$5,000 denominations or probably larger. It is not uncommon for short term notes to be purchased in \$100,000 lots and are usually purchased by institutions.

Mr. Newman inquired why a change from one year to three year notes and Mr. Goldschmidt indicated that it was decided that the cost savings of one year notes were not enough to justify the increased risks.

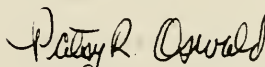
ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 262-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 263-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Newman, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned to a closed session on personnel. The meeting adjourned at 4:55 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

October 30, 1984





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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
2ND DAY OF OCTOBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 2nd day of October, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
H. Jesse Arnelle  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

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None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Terry Collins, Colbert, Smith, Johnson & Collins; Dexter Woods, Mary Helen Rogers, Pleasant Carson Jr., Ron Brown, Western Addition Project Area Committee (WAPAC); Mary Jane Staymates, Western Addition Neighborhood Association (WANA); and Arnold Townsend, interested citizen.

APPROVAL OF MINUTES

It was moved by Mr. Newman, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of May 1, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the minutes of the closed session of August 21, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. Mardikian, seconded by Ms. Berk, and unanimously carried that the minutes of the closed session of September 25, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The ground breaking ceremony for the Japanese Cultural and Community Center will occur October 5 at 4 p.m. at 1850 Sutter Street.

REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (b) Agency offices will be closed in observance of Columbus Day on October 8.

UNFINISHED BUSINESS

- (a) Resolution No. 259-84 requests authorization of an agreement for consultation services relating to the movement, installation and any required conservation of Aaron Miller's Murals from storage to the lobby of the Safeway Office Building in the Western Addition A-2 where they will be permanently placed for public viewing.

Mr. Hamilton reported on item (a) as follows. Prior to its demolition, the Emanuel Church of God in Christ, in the Western Addition contained 14 large murals depicting the stations of the cross. The murals were painted in 1950 by a Western Addition black artist, Aaron Miller, and received considerable attention in National publications upon completion. After great effort on the part of the Agency, two murals, each approximately 9' x 14' and weighing over 2,000 pounds, were removed from the church and placed in storage awaiting an appropriate opportunity and location for their placement. The Safeway Office Building has presented such an opportunity for these murals to be returned to the community for public viewing. The murals are oil-based paint on gypsum wall board and are fairly fragile, probably requiring some restoration work. This contract would engage the services of the Conservation Department of the San Francisco Museum of Modern Art to inspect the murals, verify their condition and make recommendations regarding their safe movement, installation and restoration. The Museum provided similar services when the murals were removed and stored. In addition, the Museum will provide the labor and materials to perform any necessary conservation work, as well as photographs and written record of the murals. Because the time required to do the work cannot be accurately anticipated, the contract provides for reimbursement of the conservator on an hourly basis, plus out-of-pocket expenses for conservation materials in an amount not to exceed \$5,000. It should be noted that the Museum's standard policies do not require them to provide any indemnification to the Agency. However, an all risk insurance policy for the transportation and installation of the murals will be provided by the general contractor of the Safeway Office Building. Given this fact, plus having previously contracted with the Museum for similar services when the murals were removed, staff believes the Agency's interests will be adequately protected by this arrangement.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 259-84 BE ADOPTED.

NEW BUSINESS

- (a) Public hearing to hear all persons interested in a Land Disposition Agreement for Parcel 1127-E(a); Western Addition A-2.

Resolution No. 264-84 requests authorization of a Land Disposition Agreement with John L. Pasini, Gianni C. Pasini and Virginia F. Pasini, for rehabilitation of Parcel 1127-E(1), 1800 Eddy Street, Western Addition A-2.

- (b) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 1127-E(3); Western Addition A-2.

Resolution No. 265-84 requests authorization of a Land Disposition Agreement with John L. Pasini, Gianni C. Pasini and Virginia F. Pasini, for rehabilitation of Parcel 1127-E(3), 1211 Scott Street, Western Addition A-2.

- (c) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 1127-E(4); Western Addition A-2.

Resolution No. 266-84 requests authorization of a Land Disposition Agreement with John L. Pasini, Gianni C. Pasini and Virginia F. Pasini, for rehabilitation of Parcel 1127-E(4), 1207 Scott Street, Western Addition A-2.

President Lee opened the public hearings to hear all persons interested in these matters.

Mr. Hamilton reported on items (a), (b) and (c) as follows. All three items request authorization of Land Disposition Agreements with John Gianni and Virginia Pasini for the purchase and rehabilitation of three properties. Item (a), the building at 1800 Eddy Street, is an 1870 Victorian which the developers propose to rehabilitate as four residential dwelling units with a garage space for each unit. Item (b), a building at 1207 Scott Street and item (c), a building at 1211 Scott Street, both are two-story Victorians built in the 1880's. The developers propose to rehabilitate them as two residential units with garage space for each unit. Exclusive Negotiations were authorized in January of this year. The original Offering contained no restrictions on permitted uses, however, the LDA specifies rental use. Should the developers be unable to obtain financing as a rental project, staff may request authorization to change the permitted use to condominiums for sale. If that becomes necessary, a provision regarding profit limitation/sharing for the developers will be added to the LDA. Key performance dates are submission of evidence of financing no later than February 19, 1985 and Conveyance of the site by April 30, 1985. The developers have successfully rehabilitated a six-unit apartment building at 1940-50 Ellis Street and a 190 room "bed and breakfast" inn near Alamo Square, called the Grove Inn. They have submitted satisfactory evidence of financial capacity and experience to undertake the successful completion of these three properties.

NEW BUSINESS (continued)

There being no persons wishing to appear regarding these matters, the President declared the public hearing closed.

President Lee noted his concern about the length of time it had been since exclusive negotiations were approved in January of this year and Mr. Hamilton indicated that actually this project had moved fairly quickly and the developer has been working diligently. However, the Commission should have been advised of the progress of this project in the last few months.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 264-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 265-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 266-84 BE ADOPTED.

- (d) Resolution No. 267-84 requests authorization of Rehabilitation Offering No. 24, for specific Agency-owned buildings in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. The subject buildings are 2 and 3 story wood-framed Victorian and Edwardian style buildings built between 1875 and 1925. The offering provides no restrictions on the types of development, whether they be rentals or condominiums, with the exception of the property at 1985 Ellis Street, which property consists of 12 residential rental units. This is one of the few remaining Agency-owned buildings which may be feasible to rehabilitate as rentals, so it is proposed that this property be offered with a restriction that it remain a residential rental development. The remaining properties contain 1 to 4 units and are only marginally feasible as rental development due to the extensive rehabilitation work required. If restricted to rentals, it is likely to limit interested developers to high income individuals and may deprive the opportunity for Certificate Holders to participate in the development. As is normal practice, this offering will establish 2 lists of respondents, one for certificate holders and one for non-certificate holders. Each list would be ranked by the price the respondent offered for the building. Selection of prospective developers will be based on the highest response received within each preference category. It is planned to have all responses to the offering in by mid-December 1984 and evaluations completed by mid-January 1985, after which recommendations for exclusive negotiations with the successful developers will be made. Also requested is authorization to expend an amount not to exceed \$4,000 for placement of advertising and notification of certificate holders and people on the Agency's rehabilitation mailing list. A portion of these advertising costs will be recouped from the sale of packets to interested developers.



NEW BUSINESS (continued)

It should be noted that two buildings have been removed from the published Agenda in this Offering, which are 1905-1907 O'Farrell Street, 1339-1341 Pierce Street. A confirmed interest has been received for 1905-1907 O'Farrell from a long term resident, Judge John Dearman, who has assumed an equity position in the project to the maximum permitted, which would be 49%. The other building, 1339-1341 Pierce Street, was deleted because the Agency is proceeding with exclusives with Dexter Woods, a certificate holder, who has entered into a partnership with Joe Skiffer. There is also a letter from WAPAC requesting deletion of a third building, 1151 Webster Street, in the interests of the partnership of Colbert, Collins, Smith and Johnson. The Agency does not offer a building to a non-certificate holder until it is known that there are no certificate holders interested in the property. Staff is not prepared to make a recommendation to the Commission that the Agency do so on this property.

Mr. Terry Collins, Colbert, Smith, Johnson & Collins, indicated that though his partnership does not include a certificate holder, he considers them de facto certificate holders because of their efforts on behalf of the community they have been responsible for some of the housing that has been built in the Western Addition. He requested an exception be made in this case so they could obtain the building at 1151 Webster Street.

Mr. Wade Woods, Mr. Pleasant Carson, Ms. Mary Rogers, Mr. Arnold Townsend and Ron Brown supported the Colbert, Smith, Johnson & Collins partnership and requested that an exception to the Certificate Holder Program be made in their case.

Ms. Mary Jane Staymates, WANA, indicated that the three parcels not be applied to the certificate program and suggested the other parcels be put out to the highest bid to refill the Redevelopment Agency's coffers with land sale proceeds. Some of the certificate holders have gotten properties again and again, which was not the purpose of the program.

Mr. Arnelle inquired if a certificate holder can acquire more than one property because they are certificate holders and if most certificate holders end up being absentee landlords. Mr. Hamilton indicated that, under rules previously in effect, there were a number of people who received multiple certificates because they owned more than one property and several exercised those certificates. An amendment to the rules was made in May 1978 to close this loophole. The issue of absentee landlords occurred because certificates were issued to people not solely because they resided on the property, but also because they owned income property. The certificate program never addressed the question of residency because there were too many people who owned property who did not live in the area. Mr. Hamilton indicated that he could not support Ms. Staymates' suggestion to abstain from the certificate program as the integrity of this Agency demands the program be lived up to. Though the Agency

NEW BUSINESS (continued)

should be careful in the selection of developers for these properties there is a need to continue implementing the certificate program.

Mr. Mardikian inquired if staff's review of the partnership of Colbert, Smith, Johnson & Collins indicated they were not financially capable and Mr. Hamilton indicated no, they were found to be eligible for a certificate, however, there is no doubt they have the financial capacity to handle the project.

President Lee inquired what the legal liability would be if 1151 Webster was deleted from the offering and Mr. David Oster, Assistant Agency Counsel, indicated that the property would simply not go forward as Offering No. 24. It could then be either subject to a separate action or could be included in a future Offering. Though this may be a matter of previously established Agency policy, policy can also be changed. Subject to a closer study of the issues, if the Commission were desirous of making this building available to the Colbert, Smith, Johnson & Collins partnership, it perhaps could be accomplished in a manner that would not subject the Agency to legal liability.

Mr. Hamilton noted that the certificate program was a moral obligation, not a legal one, to the community and the Commission could amend the policy in the interest of owner occupancy.

Mr. Arnelle inquired if the Commission has the power in terms of ultimate policy making to grant exceptions to the policy if in the Commission's collective view it would serve a social purpose in advancing the objectives of the plan and Mr. Oster indicated he would have to review the policy, however it could be changed providing that the changed policy is applied evenly and fairly. Mr. Arnelle indicated he was moved by the pleas on behalf of the Colbert, Smith, Johnson & Collins partnership on the basis it appears a public interest might well be served in this particular case by suspending or changing the policy. That these people have the financial capacity to rehabilitate the property and the desire to occupy the building sounds as though it would be fair and within the policy of the Agency.

Mr. King inquired if the certificate program is a moral obligation and not a legal requirement and Mr. Oster indicated that the policy of certificates of preference has a basis in State law and also it was a program which was an outgrowth of previous litigation against the Agency. It was not voluntarily imposed. The application of the certificate program is subject to the discretion of the Commission as to what properties will be offered to certificate holders. Applicability is a policy matter, and as long as a change made by the Commission is done for purposes that are proper, there should be no legal liability for doing so. Choosing not to apply the certificate program to a certain type of property is within the discretion of the Commission.

NEW BUSINESS (continued)

Mr. Arnette inquired if the Commission has the power to make exceptions in cases where it is in keeping with the objectives of the program and Mr. Oster indicated affirmatively. Notwithstanding the fact that by instituting the certificate program and releasing a list of properties available for bid the Agency is creating an expectation on the part of the community, the Agency still has the discretion to apply the program or not to particular properties.

Mr. Hamilton indicated that he had no doubt these are deserving people, however, the likelihood is that if the Commission withdraws this property from Offering No. 24 that there will be many inquiries about this as the Agency has had requests for exceptions by the hundreds over the years, some from people requesting preference be given to members of their congregation, and the Agency has said no.

President Lee indicated that this is a sensitive issue and he sees the merits of the individuals who deserve a chance. However, the Commission needs to be aware of any possible legal challenge and he suggested that 1151 Webster be deleted from Offering 24 and that this issue be studied.

Mr. Newman indicated that he believed these people were worthy, but he also thought of the certificate holders who were denied. There is a moral obligation to uphold the certificate program and he moved to hold out this property, study the ramifications and decide on this at a later date.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 267-84 BE ADOPTED, AS AMENDED TO DELETE PARCEL 749-F FROM OFFERING NO. 24.

- (e) Resolution No. 268-84 requests authorization for Frank T. Cannizzaro, Rincon Point-South Beach Project Director, and Harold E. Bell, Deputy Director of Finance and Administration, to travel to New York City to present information to bond rating agencies relative to the sale of notes for the South Beach Harbor.

Mr. Hamilton reported on item (e) as follows. At your September 25, 1984 meeting you authorized the issuance of three-year notes in an amount not to exceed \$18.6 million for the South Beach Harbor Project. The marketability and interest rate of the notes is affected by their rating as a municipal debt instrument by the rating agencies in New York. In this case, a one percent interest saving on the \$18.6 million dollar note issue would amount to a \$540,000 saving in repayment costs over its 3-year term. This kind of savings could be very significant to the project and its prospect makes this trip to the rating agencies very worthwhile. The usual practice is for the project sponsor and its consultants to present the project to Standard and Poor's Corporation and Moody's Investor's Services, Inc. in New York, providing the rating agencies an opportunity for personal contact

with the people who are formulating the project and allowing the sponsor team to respond personally to any questions the raters may have regarding the project. In essence, this is a closing sales effort to get the notes rated as high as possible. The cost of the trip for two staff members should not exceed \$2,900 based on 3 night lodging. Funds expended will be reimbursed from the note proceeds.

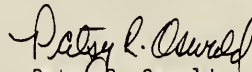
Mr. Newman inquired if bond counsel would also be going and Mr. Oster indicated affirmatively. Mr. Hamilton noted that experience has shown that the rating agencies do not want to hear from bond counsel they want to hear from the principals.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 268-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:10 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

November 20, 1984

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10/9/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
9TH DAY OF OCTOBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 9th day of October, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
H. Jesse Arnelle  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; W. D. Ellington, Ellington Security Service.

APPROVAL OF MINUTES

It was moved by Mr. Arnelle, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of September 4, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The ground breaking ceremonies for the Japanese Cultural and Community Center were held on Friday, October 5 with Supervisor Molinari as the key speaker. Commissioners Leroy King and Charlotte Berk were also in attendance as well as Supervisor Renne.
- (b) On Wednesday, October 17 Finance and Planning Housing and Development Committees of the Board of Supervisors will be holding a public meeting on the 1985 Community Development Program Final Proposal at 2:00 p.m., City Hall, Room 228. Staff will be covering that meeting and will advise the Commission as to the outcome.



REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (c) The Proposed Business Agreement with YBG Associates, a partnership of Olympia & York California Equities Corp. and Marriott Corp. as general partners is now available for public review here at the Agency's offices, and the offices of Olympia & York/Marriott, at 182 Second Street, 5th Floor. In addition, the Main Branch of the Library and four of its branches also have copies of the documents.

NEW BUSINESS

- (a) Resolution No. 269-84 requests authorization to execute a personal services contract effective October 1, 1984 with Ellington Security Service to provide extra security coverage during Commission meetings and to provide substitute coverage during absences of regular security staff.

Mr. Hamilton reported on item (a) as follows. Ellington Security Service has been providing these services over the past three years on the basis of periodic purchase orders. It has become apparent that a formal contract would be desirable, both from the standpoint of assured price and service, and in order to protect the Agency in the event of a security problem or incident. The initial term of the contract would be for 12 months, providing for services on an as-needed basis at the rate of \$11.50 per hour, with an option for a 12 month extension at a rate increase based on the Bay Area Urban Consumer Price Index. The total compensation payable for the first 12 months would not exceed \$8,000. Ellington Security Service is a local, minority-owned business, whose services would be provided primarily by the owner of the firm, Mr. Ellington, who is licensed by the State of California as a private patrol operator.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 269-84 BE ADOPTED.

- (b) Resolution No. 270-84 requests authorization for Helen L. Sause, YBC Project Director, James H. Wilson, Hunters Point-India Basin Project Director and Wilbur W. Hamilton, Executive Director, to travel to Los Angeles to attend the NAHRO Pacific Southwest Regional Council Fall Workshop, being held on November 4 - 6, 1984, at the Hyatt at Los Angeles International Airport.

Mr. Hamilton reported on item (b) as follows. Both Ms. Sause and Mr. Wilson have key leadership roles in the NAHRO Organization and both will be panel moderators at the workshop. The program is designed to concentrate on recent changes in HUD Regulations and the specifics of program operation in such areas as "Affordable Housing Strategies", the "Tax Act of 1984", "Taxable Bonds for Single Family Homes" and "Housing Production Without Government Programs", all of which is expected to prove valuable to the Agency's operation. In addition, the Agency will receive an award citing the excellence of development in the India Basin

NEW BUSINESS (continued)

Project, and the Executive Director has been given a personal invitation to be present to accept the award. Cost to the Agency, including registration fees, airfare, meals and hotel accommodations will not exceed \$1,290.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 270-84 BE ADOPTED.

- (c) Resolution No. 271-84 requests authorization to expend \$9,000 from the Blyth-Zellerbach grant for an amendment to the contract with Alexander Grant and Company for Yerba Buena Center.

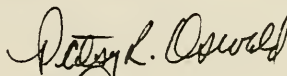
Mr. Hamilton reported on item (c) as follows. In May of this year the Commission authorized a contract with Alexander Grant Co. for \$12,000 to provide economic analysis of the operation and maintenance of the cultural facilities that included: program history, future demand for use of the facilities; rental rates and operating cost estimates of other facilities in the Bay Area; information provided by Olympia and York, the Technical Assistance Committee, Agency staff and other Agency consultants; and management structure and staffing patterns. Since performance of these services, additional work has been required beyond that originally anticipated. The consultant has been requested to add the following: a separate model illustrating the effects of adding the large theatre to the project; change the inflation rate from 8 to 5%; respond to changes resulting from the negotiating process; respond to numerous comments from the developer and the Technical Assistance Committee which resulted in revising the revenue and expense assumption on the Forum; and change the module to incorporate changes in the staffing and organizational chart.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 271-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Arnelle, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned. The meeting adjourned at 4:20 p.m.

Respectfully submitted,



Patsy R. Oswald  
Secretary

APPROVED

October 16, 1984



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
16TH DAY OF OCTOBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 16th day of October, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following were absent:

OCT 29 1984

Leroy King, Vice President  
H. Jesse Arnelle

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The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Mr. Newman, and unanimously carried that the minutes of regular meeting of May 8, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. Newman, seconded by Ms. Berk, and unanimously carried that the minutes of regular meeting of October 9, 1984, be approved.

It was moved by Mr. Newman, seconded by Ms. Berk that the minutes of closed session held September 28, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

- (a) The Disposition and Development Agreement (DDA) documents were signed by Olympia and York yesterday October 15. The next step will be a public question and answer session on Monday, October 22 at 4:00 p.m. in the 7th Floor Conference Room. Then on Tuesday, October 30 a Public Hearing will be held for the Agency's Commission to consider the approval of these documents.

NEW BUSINESS

- (a) Resolution No. 272-84 requests authorization to award Site Improvement Contract No. 43 to Dawson and J.R.'S Construction,

NEW BUSINESS (continued)

Inc., in the amount of \$160,790, on basis of lowest bid received, for the Western Addition A-2.

Mr. Hamilton reported on Item (a) as follows. The contract provides for planting of 322 street trees along several streets in the Project Area. Selection of species and location of trees have been reviewed and approved by the City's Department of Public Works. Four bids were received, with the lowest being from Dawson and J.R.'s Construction, Inc. The Engineer's Estimate is \$171,330. A meeting was held on September 28, 1984, to review the low bidder's Affirmative Action and Safety Programs. Both programs were considered satisfactory and were accordingly approved. Dawson and J.R.'s Construction, Inc. is a Minority Business enterprise who have previously performed satisfactory work for the Agency in the Western Addition.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 272-84 BE ADOPTED.

- (b) Resolution No. 273-84 requests authorization of a Sixth Amendment to the Agreement for Legal Services with the law firm of McDonough, Holland and Allen which increases the maximum amount payable by \$130,000, in connection with Yerba Buena Center.

Mr. Hamilton reported on Item (b) as follows. The law firm of McDonough, Holland and Allen have been providing service to the Agency under this contract since 1981. The original contract amount of \$65,000 has been periodically increased through the years, as negotiations and document preparation for Yerba Buena Center have escalated. Current funds have been expended and sizeable billings are expected in the immediate future until the time of document completion and execution. The proposed Amendment to the Agreement will result in a new total maximum contract amount of \$495,000.

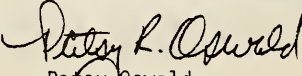
Mr. Newman requested an estimate of total costs paid in legal fees to date on Yerba Buena Center. Mr. Hamilton indicated that information would be made available to the Commissioners.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 273-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Newman, seconded by Mr. Mardikian, and unanimously carried that the meeting by adjourned. The meeting adjourned at 4:20 p.m.

Respectfully submitted,

  
Patsy Oswald  
Secretary

APPROVED



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
23RD DAY OF OCTOBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:15 o'clock p.m. on the 23rd day of October, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
H. Jesse Arnette  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; Mary Rogers, Western Addition Project Area Committee (WAPAC); and Richard Kramer, Steefel, Levitt & Weiss.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of September 18, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Ms. Berk, seconded by Mr. Mardikian, and unanimously carried that the minutes of the regular meeting of October 16, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On October 22, the full Board of Supervisors considered the Community Development Block Grant Entitlement for 1985. The Board unanimously voted to continue this item until October 29, 1984. In the hearing of the Finance and Planning, Housing and Development Committee, there are now a number of matters in controversy, however, this year the Agency is not part of that controversy. The report out of Committee to the full

REPORT OF THE EXECUTIVE DIRECTOR (continued)

Board does carry a recommended reduction of \$33,000, which is considerably less than some years have been.

- (b) On October 22 staff and consultants participated in a question and answer session on the Yerba Buena Gardens Development and Disposition Documents. President Lee and Commissioner Berk were in attendance and there were approximately ten persons who had questions for the panel. The main concern focused on the cultural aspect of the program. Continuing the Agency's public information efforts, there will be a meeting tonight with the Technical Advisory Committee on Culture to pursue dialogue and to discuss the remaining concerns which they have about the cultural program and the timing of construction. Also as part of that information program, the financial editors and business editors of the media have been invited to meet with us tomorrow morning to discuss the business terms which have recently been made available in various locations around the city in the hope that with better understanding from the financial pages of the local newspapers and others there will be better support for the project. On October 30th, a public hearing will be held and the actions necessary for Agency approval of all the appropriate documents to be considered by this Commission.
- (c) Van Ness Center Associates will be holding a groundbreaking October 25th, for their project at Van Ness and Post. That is the original Grosvenor-Chevron project.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the conveyance of a portion of Parcel 1100-U, Western Addition A-2.

Resolution No. 274-84 requests authorization of the sale of a condominium unit located at 1968 Ellis Street in the Western Addition A-2, to Margaret E. Holmes for \$180,000.

President Lee opened the public hearing to hear all persons interested in this matter.

Mr. Hamilton reported on item (a) as follows. The Commission previously approved disposition prices and execution of documents for thirty-one units in the Affordable Condominium Program at various City locations. Twenty-three units have been conveyed and authorization was given by the Commission in February, 1984 to list the remaining eight unsold units with a real estate agent. Ms. Holmes' offer to purchase 1968 Ellis Street was presented to the Agency as a result of this listing. She meets the selection criteria of the Program and has been approved by First Nationwide Savings to purchase the unit. A 3% commission will be paid to the broker out of escrow from sales proceeds.

NEW BUSINESS (continued)

This is the last unit owned by the Agency in the 1960-70 Ellis Street development. Two other applicants are being processed for the remaining seven unsold Phase I units. Marketing efforts are continuing, including a recent broker's open house, a KSFO radio spot and newspaper advertisements.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 274-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in the conveyance of six condominium housing units at 1519-1529 O'Farrell, Western Addition A-2.

Resolution No. 275-84 requests authorization of the sale of six condominium units located at 1519-29 O'Farrell Street, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Mr. Hamilton reported on item (b) as follows. The Commission previously approved the method of sale and financing of these six condominiums rehabilitated by the Agency. Prospective buyers have been selected by a lottery process. Based on approvals received and anticipated and the unit selections of these applicants, staff expects to convey the first three units within the next 45 days. It is necessary to complete the selection and disposition process by holding the public hearing and formally approving the sale of these units to any of the individuals selected through the lottery process and subject to their being approved by First Nationwide Savings. Commission approval of the sales in this manner is requested rather than on the basis of specific units to particular buyers as it will facilitate reassignment of units should applicants withdraw from processing or be disapproved.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 275-84 BE ADOPTED.

- (c) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel K-6, India Basin Industrial Park.

Resolution No. 276-84 requests authorization of a Land Disposition Agreement with O'Brien Mechanical, Inc. for the sale of the Parcel located on the southwest corners of Galvez Avenue and Mendell Streets in the India Basin Industrial Park.

NEW BUSINESS (continued)

President Lee opened the public hearing to hear all persons interested in this matter.

Mr. Hamilton reported on item (c) as follows. The developer has operated a factory at 18th and Alabama Streets since 1963 and proposes to construct a building containing office, shipping, loading and unloading facilities and landscaped areas. Presently 42 people are employed with an increase of 50% expected upon completion of the new factory. Mr. O'Brien intends to extend employment preference to qualified community residents and this proposal has been endorsed by the Bayview-Hunters Point Joint Housing Committee. The LDA performance schedule is for submission of evidence of financing on May 15, 1985 and close of escrow on June 12, 1985.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

President Lee requested architectural comments on the building and Mr. Edmund Ong, Chief of Architecture, described the architectural aspects of the building and indicated that staff finds the design acceptable.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 276-84 BE ADOPTED.

- (d) Resolution No. 277-84 requests authorization to reject the sole bid received from Munkdale Bros., Inc. for Site Improvement Contract No. 39, Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. The contract provides for the construction of public improvements adjacent to the Fillmore Commercial Center. Following extensive soliciting of bids, one bid in the amount of \$1,026,272.75 was received from Munkdale Bros., Inc., substantially higher than the Design Architect's estimate of \$738,706. Several contractors from whom bids were requested indicated that, due to an unusually high number of contracts for bid at this time, they elected to bid on other jobs, however, they would be willing to bid if the contract is re-bid at a later date. Staff believes a re-advertisement of this contract could result in more acceptable bids and would be in the Agency's best interest.

President Lee inquired about the time schedule should the contract be re-bid as recommended and Mr. Gene Suttle, Project Director, Western Addition A-2, indicated the award of a new contract would be brought before the Commission in mid-December, but start of construction would probably be delayed until after the holidays.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 277-84 BE ADOPTED.



NEW BUSINESS (continued)

- (e) Resolution No. 278-84 requests authorization of a Declaration of Annexation for the Hollis Court Phase II Condominiums and payment of homeowner's association monthly assessments.
- (f) Resolution No. 279-84 requests authorization for fire, extended coverage, liability and directors and officers liability insurance for Hollis Court Phase II located at 1519-1529 O'Farrell Street in the Western Addition A-2.

Mr. Hamilton reported on items (e) and (f) as follows. Presently, the Hollis Court Condominium project is composed of two units at 1360-1370 Webster Street. The CC&R's, however, include provisions to allow annexation of additional units in phases should the Agency wish to do so at a later date. The Units at 1519-1529 O'Farrell Street will be included in this annexation and the units at 35-45 Hollis Street, which currently houses the Agency's Property Management staff, may be annexed at a later time. After the recordation of the annexation the monthly homeowner's assessments for the six units will become due at \$1,200 per month. This will be reduced by the second month to no more than \$600, as at least three sales are expected to close within the first month. As each unit closes the amount the Agency will be required to pay will be further reduced. (f) concerns the insurance coverage on the Hollis Court Phase II units and is a pro rata portion of the annual premium in an amount not to exceed \$3,000. As each unit is conveyed, the Agency will be reimbursed by the buyers on a pro rata basis for the portion of the premium year that the units will be owned by the buyer.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 278-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 279-84 BE ADOPTED.

- (g) Resolution No. 280-84 requests authorization to execute a First Amendatory Agreement to the Disposition of Land Agreement with E. J. Kopatschek, Inc., now wholly owned by Richard Sanchez, for Parcel S-5 in the Hunters Point Redevelopment Area. This Amendment will extend the date for conveyance from November 6, 1984 to December 19, 1984.

Mr. Hamilton reported on item (g) as follows. In February, 1984 the Commission authorized an LDA with the developer for construction of 19 single family homes. Selling price for the units will be approximately \$126,000 for 17 three bedroom units and \$127,500 for 2 four bedroom units. Mr. Kopatschek and Mr. Sanchez have been in business together for some time and are experienced single family home builders. While the developer is non-union, he proposes to pay prevailing wage rates and abide by the Agency's affirmative action guidelines. The developer has



NEW BUSINESS (continued)

been accepted for the Mayor's Office of Housing and Economic Development's 1984 Single Family Mortgage Revenue Bonds program. The bonds are presently being sold and the proceeds are expected to be available the early part of November which should facilitate the developer's effort to obtain construction financing.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 280-84 BE ADOPTED.

- (h) Resolution No. 281-84 requests authorization of a Sixth Amendment to the Agreement for Legal Services with the Law Firm of Steefel, Levitt & Weiss increasing the contract amount by \$150,000, in connection with the Yerba Buena Center Project Area.

Mr. Hamilton reported on item (h) as follows. The Steefel law firm has been assisting the Agency under this contract in ongoing negotiations and document preparation for Yerba Buena Center since June 1983. For the past few weeks the Steefel staff has worked virtually on a round-the-clock basis and a sizeable billing is expected for October. Current funds are nearly expended. The proposed Amendment to the Agreement will result in a new total maximum contract amount of \$700,000. At the time of the Fifth Amendment to this contract in August 1984, the firm had evidenced significant affirmative action hiring and is continuing these efforts.

A discussion occurred between Commissioners; Mr. Richard Kramer, Steefel, Levitt and Weiss; and Staff regarding the legal services contract with Steefel, Levitt and Weiss for the Yerba Buena Center. A recording of that discussion is on file with the Agency Secretary.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 281-84 BE ADOPTED.

- (i) Resolution No. 282-84 requests authorization to amend the resolution adopted September 25 for issuance of the principal amount of the Notes for the South Beach Harbor Project, from \$18.6 million to 18.63 million.
- (j) Resolution No. 283-84 requests authorization to change the sale date from October 16 to October 30 and inclusion of a provision in the note resolution allowing conversion of the notes to long-term notes if takeout financing is not available at the end of the 3 year Note term.

Mr. Hamilton reported on items (i) and (j) as follows. Since the Agency meeting of September 25, continuing discussions with bond counsel and the financial advisor have occurred regarding the potential effect of Proposition 36, the Jarvis Initiative (Jarvis

NEW BUSINESS (continued)

II), which resulted in the necessity of changing certain terms and conditions of the Notes and postponing the sale to October 30, 1984. The potential effect of Jarvis would impact the harbor financing both in regard to the initial short-term Notes, and to the long-term take out obligations, which the Agency intends to issue for permanent financing. Bond Counsel has advised that the definition of "fees" in the Jarvis Initiative is so broad that it may be interpreted to include boat berth charges, etc., making the Agency unable to initially impose or subsequently increase boat berth charges greater than the increase in the CPI without a vote of 2/3 of the electorate. Since the revenue from the berth charges is a principal source of security for, and repayment of, the Notes, such a restriction would render them unmarketable. To avoid that, Bond Counsel advises the Agency would have to issue and sell the Notes prior to the election of November 6. Also, at this time, there is no way to guarantee that the Jarvis Initiative's definition of fees will not result in the Agency being unable to issue long-term obligations. Therefore, it is necessary to cover this contingency in the Notes by providing, that if the Agency is unable to issue long-term take-out obligations because of Jarvis or some other change in the law, the maturity of the Notes is automatically extended from 3 years to 30 years. These changes in the financing structure will result in increased cost, and negatively impact the feasibility of the project. However, the project remains feasible, but less so. The complications of Jarvis II present the prospect that the remainder of the project, Pier 40 and the Park, cannot go forward as planned without a 2/3 vote. Staff does not believe that the definition of fees will be interpreted to apply to rent from those facilities. However, in the event that the broad definition prevails, Pier 40 would have to be developed with private financing or with private development effort. Staff has examined the financial feasibility of going forward with the harbor only, that is, without Pier 40 and the Park, and concludes that it remains feasible, but requires constraint in the expenditure of funds currently included in the \$18.63 million Note issue. No funds can be expended for the replacement facility for Pier 40 until the Agency is reasonably assured that Pier 40 can go forward. These proposed changes are necessary in order to overcome possible constraints of the Jarvis II Initiative. They do create more problems which need to be managed and concurrently more risks. However, all these negatives appear manageable.

Ms. Berk inquired what the significance was to extend the sale date to October 30 and Mr. Ken Jones, Jones Hall Hill and White, indicated because of the need to incorporate the changes into the resolution and the Official Statement that has to be released in connection with the sale.

Mr. Newman inquired, since the changes are being made in order to accommodate a potential piece of legislation, would it be prudent to defer action until after the election and Mr. Jones indicated

NEW BUSINESS (continued)

that putting everything on hold and finding out whether the proposition carries, then going through the process of determining exactly what it means was considered. The problem, of course, is that there is no assurance of what the ultimate results of that process will be. It is believed that the ultimate result will be fees for boat slips are not going to be caught up in the "vacuum cleaner" of restrictions present in Jarvis, but at this stage nobody can be sure. If the whole program is delayed until it is known, it might be negative. So, it is a matter of balancing the risks of proceeding now and protecting the Agency against an ultimate bad determination by establishing covenants and contractual arrangements that will survive Jarvis, or just putting everything on hold. On balance, the subject action is the course recommended. Mr. Newman inquired that if Jarvis was defeated, would it save the Agency a lot of money and Mr. Jones indicated affirmatively, the difference being in the interest rate that the Agency would pay on the three-year notes. There is an identifiable increase in the rates right now, so it is a question of weighing that known increase against an unknown imponderable in the future and there is no way to know exactly what the difference will be.

Mr. Harold Bell, Deputy Executive Director, Finance and Administration, indicated that it is impossible to actually measure what the effect is on the rate, obviously it is negative, but is not known how much. More importantly is that this whole arrangement is structured so that, in the event that six months or a year from now, if the picture changes substantially, either because the law is clarified or the financial market changes, the Agency has total freedom to refund this issue without any premium cost whatsoever. The Agency intends to go out again for a second issue about a year from now for the second phase, so at that time, if the Agency chooses or it is economical to do so, a whole new issue can be brought out for both issues combined and this one can be paid off.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 282-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 283-84 BE ADOPTED.

MATTERS NOT APPEARING ON AGENDA

- (a) Resolution No. 284-84 requests authorization of an extension of the date for conveyance of the site in the Land Disposition Agreements with various developers within Site S-4, located on Lindsay Circle and Carpenter Court off Whitney Young Circle.

Mr. Hamilton reported on item (a) as follows. The Agency entered into LDA's with sixteen developers for the development of single-family homes in Site S-4. The developers were selected

MATTERS NOT APPEARING ON AGENDA (continued)

from an Agency offering of single-family lots offered exclusively to Hunters Point "Certificate" holders of residents of Hunters Point Bayview area to build single-family homes for their own use and to small developers to build from one to three single-family homes for resale. The developers were unable to meet the prerequisites for conveyance by October 18th and an extension to November 21, 1984 is requested. During the extension period, Agency staff will determine the exact status of each developer and formulate a recommendation. The sites were reappraised on October 18th with no significant change. It is expected that with the consummation of sales of La Salle Heights homes within the next few months a significant rise in land price will occur. After the recommended extension date, new appraisals to determine land price value will be required.

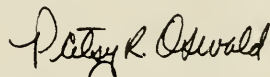
ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 284-84 BE ADOPTED.

- (b) Ms. Mary Rogers, WAPAC, requested that the subject of Affirmative Action be placed on an agenda for discussion at a future Commission meeting. Mr. Hamilton indicated that Mr. Earl Nills, Deputy Executive Director, Community Services, would be the person to meet with first before putting it on the Agenda.
- (c) Mr. Newman indicated that he would like to acknowledge the diligence and loyalty Mr. Steefel has given the Agency during the past few months and noted that Mr. Steefel's wife just passed away and he wanted to convey the Commission's condolences to Mr. Steefel.

ADJOURNMENT

It was moved by Mr. Newman, seconded by Mr. Mardikian and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:45 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

November 13, 1984





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
30TH DAY OF OCTOBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 30th day of October, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

H. Jesse Arnelle (arrived at 5:05 p.m.)

The President declared a quorum present.

President Lee observed this was a unique meeting with a long agenda and that items 1 through 9 (f) were routine business before the Agency. After these items had been dealt with, the Yerba Buena Project would be undertaken.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ron Soskolne, Jim Augustino, Al Williams, Roy Willis, Janette Ryan, Joe Madonna, Marvin Richman, Olympia and York; Helene Fried, Cultural Consultant; Dai Williams, Larry Halprin Associates; Eb Zeidler, Ian Grinnell, Zeidler-Roberts Partnership; Beverly Willis, Willis & Associates, Inc.; Pamela Duffy, Coblentz, Cahen, McCabe & Breyer; John Bacanskas, Steve McKenna, Bill Thompson, Brian Deelrel, Marriott Corp.; Charles Blackmire, Rouse Company; Rai Okamoto, Okamoto & Murata; Hideo Saski, Design Architect; Norman Pfeiffer, Hardy, Holzman & Pfeiffer; Ray Braun, Economic Research Associates; Peter Adamson, Adamson Associates; Michael Marston, Keyser-Marston; Joseph Coomes, McDonough, Holland & Allen; Edward Steefel, Steefel, Levitt & Weiss; Marc Mihaly, Shute, Mihaly & Weinberger; Isubel Ugat, South of Market Alliance; Enrica A. Zabala, South of Market Neighborhood Association; Ocie Mae Rogers, Joint Housing Committee; Jim McKenzie, Michaela Cassidy, Technical Assistance Committee; Marwin Mars, Metropolitan Parking; D. Kohn, MTC; E. P. Trulca, NHF; Michael Federde, Grubb & Ellis Co.; Misha Berson, Theatre Communications Center of the Bay Area; Nolan Frank, Developer; Christine Elbel, Bay Area Dance Coalition; John H. Tolan, Jr., Msgr. Clement J. McKenna, St. Patrick's Church; Jay Smith, MOCD; Indria Mungol, Sharon Coombs, City Celebration; Dian Blomquist, Former Redevelopment Commissioner; Courtney Cargill, Coombs & Greenley; Noni Richen, BANG; Mary Helen Rogers, WAPAC; Robert Wolf,

Willis & Ksol; Lisa Klairmont, SPUR; Stephen Lyon, Rede Investment Corp.; Dino Di Donato, Pocket Opera; Tala Suefai, Richey Rice Gore, Women in Apprenticeship; Frederick Clark, General Atlantic; Lyman Jee, Arcon, Inc.; Sister Butterfield, Alexis Apt. (SOM); Rod McLeod, Filipino Bar Association; A. Bowen, Imax Systems Corp., Toronto; James Bulk, NAACP; Tony Garcia, Dimsalang House; Stephen Goldstine, VP, California Arts Council and President of S.F. Art Institute; John Igce, Lincoln Properties; Margaret Jenkins, Margaret Jenkins Dance Company; Bob McDonald, Construction Trade Council; Reverend Cecil Williams, Glide Memorial Church; Richard Yoder, South of Market Health Center; John Elberling, Todco/Alliance; Robert McDonnell, SF Building Trades & Laborers; James Jeffersen, SF Black Chamber of Commerce; Tom Larry, Representing Charles Lamb, President, Local 2; Bernie Averbuch, Market Street Project; Michael Stanton, SF Chapter, A.I.A., Chairman of Urban Design Committee; Richard B. Morten, San Francisco Chamber of Commerce; Dale Hess, San Francisco Visitors & Convention Bureau; Steven Sears, South of Market Grocery; Richard Tamler, Israel Dance Troup; Paul Bradford, Director, North of Market Coalition; David Jenkins, ILWU; John Crowley, Secretary-Treasurer, SF Labor Council, SFL-CIO; Robert Morales, Teamsters, Local 350; Mattie Jackson, International V.P., ILWU; Larence Martin, International Representative, Transport Union; Keith Eichman, Warehouse, Local 6; Darlene Jung, Barcelon & Jang; Frederick Clarke, General Atlantic; Mary Leong Lam, Salvation Army Services Activities Service Center; John David, Rocco L. Carsia, Eileen Cowell, C. C. Vallangra, Caryl Mezuy, Anne Halsted, Eileen Henriques, Doris Kahn, Gene Coleman, Darius Aidala, Michael Levin, Doug Engmann and Ellen Roberts, interested citizens.

Representing the press were Gerald Adams, San Francisco Examiner; Reginald Smith, San Francisco Chronicle; Jim Kelly, San Francisco Progress.

#### APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of September 25, 1984, as distributed by mail to the Commissioners, be approved.

#### REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On October 29, the full Board of Supervisors, following a one-week delay considered the Community Development Block Grant Program for 1985. After some discussion it was passed by the Board.
- (b) The Van Ness Center Associates held a successful groundbreaking on October 25th, for their mixed-use development, which is being constructed at Van Ness & Post Streets. This is a joint venture between the Chevron Land Development Company and Grosvenor Properties.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Deed of Conveyance to Pacific Gas and Electric, in the Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 285-84 requests authorization to execute Contract and Deed of Conveyance transferring ownership to Pacific Gas and Electric Company of electric distribution facilities installed under Contract No. 79 in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. The contract provided for the removal of street pavement and relocation of utilities required for the vacation of Ellis and O'Farrell Streets, between Fillmore and Webster Streets. Closure of the two streets was completed in accordance with plans for the development of the Fillmore Commercial Center. Normally, the Agency enters into an agreement which then provides for reimbursement by PG & E for work on their facilities performed by Agency contractors and provides as well for conveyance of the facilities after construction. In this case, PG & E questioned their obligation to pay for the relocation of their facilities and they did not execute an agreement with the Agency. In order to meet deadlines for construction, Agency Legal Staff advised PG & E that the work could be performed without an agreement on the understanding that the issue of reimbursement of Agency expenditures would have to be resolved following completion of construction. PG & E staff, based on a recent court decision in a similar case, have agreed they are required to bear the costs which amount to \$44,220.60 and are prepared to do so upon execution of the subject documents.

There being no persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 285-84 BE ADOPTED.

- (b) Public hearing to hear all persons interested in a Land Disposition Agreement for Parcel 1100-T, in the Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 286-84 requests authorization of a Land Disposition Agreement with Mr. Nolan Frank for the Parcel located at the northeast corner of Divisadero and Ellis streets in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (b) as follows. In November 1983 exclusive negotiations were authorized with Mr. Frank to develop 15 market-rate residential condominiums. At the same time the Agency was negotiating and LDA with the developer for the rehabilitation of two residential buildings, also located in the Western Addition A-2. The negotiations for these two buildings were quite extended. There were some difficulties in determining the financing mechanism, a key factor of which was the equity requirement and as a result, efforts to bring the subject Parcel forward were delayed. The matter was resolved when the Commission approved a \$100,000 rehabilitation loan in September 1984 for the two buildings. The Performance Schedule for the subject Parcel now calls for submission of evidence of financing by August 7, and conveyance of the site by December 11, 1985.

Ms. Eileen Henriques, resident of the area, indicated the subject property has been vacant for years and requested there be no more extensions.

Ms. Noni Richen, President, Beideman Area Neighborhood Group, noted here concern about the dangerous entry, the landscape plans and the commercial space and that they could not support this item when they did not know what was going to be built.

Ms. Vallangca, resident of the area, indicated concern about the type of business that would be located in the commercial space and the planning of the landscaping.

Ms. Mary Rogers, WAPAC, and Mr. Arnold Townsend, indicated their support of this item.

Mr. Hamilton indicated he is equally concerned about the entry and its security and there is a concurrence from the developer in that respect. The landscape plans will be reviewed thoroughly with the community organizations and will meet the standards of the Redevelopment Plan. Also, the businesses will conform to permitted uses in the Redevelopment Plan.

Mr. Newman indicated the neighbors have every right to be consulted and Mr. Hamilton indicated that would be done.

There being no further persons wishing to appear regarding this matter, the President declared the public hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 286-84 BE ADOPTED.

- (c) Resolution No. 287-84 requests authorization to extend the date of conveyance of the site in the Land Disposition Agreement with BARCO Developers for the Parcel located on the north side of Keith Street between Fairfax and Hudson Avenues, Hunters Point.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. An LDA was approved in April 1983 with BARCO who proposes to develop a mix of 67 townhouses and flat-over-flat dwellings in 3 phases. The Developer believed he could meet the October 10, 1984 conveyance date, however, his construction lender has now requested more time in the processing of the loan and asks for an extension to December 5, 1984. In addition, there is a significant policy matter involved. The Developer has requested that he be permitted to defer the \$335,000 land price. Deferral of the receipt of land sales proceeds runs counter to established Agency policy and has only been granted in very special circumstances when identifiable public benefit could be achieved. The concern that the deferment of a land price in this instance could be precedent-setting because the Agency has not done it on any other similar market-rate developments. However, because of the relatively affordable estimated sales prices, staff desires time to discuss the question of land price deferral and the feasibility of this development in greater detail and after these discussions the Agency will bring the Commission a recommendation regarding the development.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 287-84 BE ADOPTED.

- (d) Resolution No. 288-84 requests authorization to award sale of South Beach Harbor Project 1984 Revenue and Tax Allocation Notes dated November 1, 1984 in the amount of \$18.63 million.
- (e) Resolution No. 289-84 requests authorization of a first amendment to the Cal Boating Loan increasing the amount from \$6.0 to \$7.6 million.
- (f) Resolution No. 290-84 requests authorization to exercise the option to lease real property from the Port of San Francisco and execute leases pursuant thereto.

Mr. Hamilton reported on items (d), (e), and (f) as follows. In September 1984 the Commission authorized issuance of Revenue and Tax Allocation Notes for the South Beach Small Boat Harbor for \$18.6 million. An Official Statement for the sale of the notes was prepared and bids for their purchase were solicited. Bids closed today at 11 a.m. and must be acted on by the Agency within 24 hours. Mr. Hamilton called upon Mr. David Oster, Assistant Agency Counsel, to report on the receipt of bids.

Mr. Oster indicated one bid had been received at the opening October 30, submitted by financial consultant Birr Wilson & company, Account Manager for a syndicate. The interest rate on the bid was 11% and the discount specified 4.75%. Both are in accordance with the Official Notice of Sale approved by the Commission and staff believes the interest rate is within the range of financial feasibility.



NEW BUSINESS (continued)

Mr. Hamilton continued his report. In June 1984 a loan and operations contract was authorized with Cal Boating providing for a principal loan amount of \$4.5 million and in August 1984 a First Amendment to the contract was authorized increasing the principal amount to \$6.0 million. Since that time Cal Boating has advised that another \$1.6 million of loan funds can be made available to the project from current year funds. Therefore, the First Amendment should include this additional amount, increasing the principal amount to \$7.6 million. An additional \$400,000 is expected to become available from Cal Boating in the fiscal year 1985-1986. The proposed amendment will also increase the amount of indebtedness to which this loan would be subordinate from \$42 to \$45 million. In August 1984 an option to lease real property from the Port was authorized and the Agency is now ready to exercise its option for the parcels of property comprising Phase I of the Harbor Project, which includes clearance of Piers 46A, 44, 42 and a portion of 40, construction of a breakwater and berthing system for approximately 700 boats and public access improvements which are along the waterfront shoreline. As previously indicated, there are a number of development risks associated with this project, however, the Agency is implementing the sequence of events that must take place if we are to proceed with the harbor project.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 288-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 289-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 290-84 BE ADOPTED.

President Lee announced that the meeting would be recessed briefly. The meeting recessed at 4:30 p.m. and reconvened at 4:40 p.m. with the same roll call.

(g) through (p) - President Lee indicated that the purpose of this portion of the meeting is for the Commission to consider and act upon various matters relating to the proposed Yerba Buena Gardens development pursuant to a proposed Disposition and Development Agreement between the Redevelopment Agency and YBG Associates. Three public hearings are noted for this time: (1) an exception to the FAR limits for East Block 2; (2) an exception to bulk limitations for Central Block 1; and (3) the Disposition and Development Agreement. To facilitate staff and public testimony, the three public hearings, items (h), (i) and (k) will be opened simultaneously and evidence and testimony pertaining to items (g) through (p) will be considered concurrently. A court reporter is transcribing these proceedings and an administrative record of these proceedings will be prepared, including all the documents and reports available to the Commission. A list of those documents and reports has been prepared and is being provided to the court reporter so that those documents and reports are included in the record. The order of presentation tonight will be as

NEW BUSINESS (continued)

follows: 1) the Commission will first hear the presentation of its staff and the developer; 2) the Commission will then hear public testimony; and 3) following all testimony, the Commission will close the hearings and consider and act on the various matters before it.

- (h) Public hearing to hear all persons interested in an exception to the Basic Floor Area Limits for the property lying south of the south line of Hunt Street, (East of Third Street and South of Mission Street) being a portion of Assessor's Block 3722; Yerba Buena Center.
- (i) Public hearing to hear all persons interested in an exception to bulk limits for a portion of property located between Mission, Market, Third and Fourth Streets being a portion of Assessor's Block 3706; Yerba Buena Center.
- (k) Public hearing to hear all persons interested in a Disposition and Development Agreement with YBG Associates for property located between Market, Folsom, Third and Fourth Streets (Central Blocks 1, 2, and 3) and east of Third and south of Mission Street (East Block 2) being portions or all of Assessor's Blocks 3706, 3734, 3723 and 3722; Yerba Buena Center.

President Lee opened the public hearings to hear all persons interested in these matters.

Mr. Hamilton presented items (g) through (p) as follows:

- (g) Resolution No. 291-84, Adopting Findings and Mitigation Measures made pursuant to the California Environment Quality Act and State guidelines in connection with the approval of a Disposition and Development Agreement for the Central Blocks 1, 2 and 3 (portions of Assessor's Blocks 3706, 3733 and all of Assessor's Block 3723 between Market, Folsom, Third and Fourth Streets) and East Block 2 (a portion of Assessor's Block 3722 east of Third Street and south of Mission Street); Yerba Buena Center.
- (h) Resolution No. 292-84, Granting an exception to Basic Floor Area Ratio Limits, for housing development in a portion of East Block 2 (Assessor's Block 3722) lying south of the south line of Hunt Street; Yerba Buena Center.
- (i) Resolution No. 293-84, Granting an exception to bulk limits for development of a hotel and office building on portions of Central Block 1 (Assessor's Block 3706); Yerba Buena Center.
- (j) Resolution No. 294-84, Approving aspects of the Basic Concept Drawings, some with conditions, limitations and modifications submitted by YBG Associates in connection with the proposed development pursuant to the Disposition and Development Agreement for the Central Blocks 1, 2 and 3 (portions of Assessor's Block 3706, 3733 and all of Assessor's Block 3723 between Market, Folsom, Third and Fourth Streets) and East Block 2 (a portion of

NEW BUSINESS (continued)

Assessor's Block 3722 east of Third Street and south of Mission Street); Yerba Buena Center.

- (k) Resolution No. 295-84, Approving and authorizing execution of the Disposition and Development Agreement and related documents including conveyance and leasing instruments in connection with the disposition of property in Central Blocks 1, 2 and 3 (portions of Assessor's Blocks 3706, 3733 and all of Assessor's Block 3723 between Market, Folsom, Third and Fourth Streets) and East Block 2 (a portion of Assessor's Block 3722 east of Third Street and south of Mission Street) with YBG Associates, a California limited partnership of which Olympia & York California Equities Corp. and Marriott Corporation are the general partners, making certain related findings in connection therewith, and approving the disposition values and matters related thereto; and in addition: approving and authorizing execution of the Agreement to Lease between the Agency, YBG Associates and the City and County of San Francisco and related documents for the Moscone Convention Center rooftop area; adopting the Section 33433 report regarding the disposition value of the "GSA Property" (formerly 49 Fourth Street) and making findings related thereto; and making findings in connection with the financing and construction of facilities to be publicly owned; Yerba Buena Center.
- (l) Resolution No. 296-84, Amending and approving a REVISED PROJECT BUDGET in connection with the implementation of the redevelopment plan for YBC; Yerba Buena Center.
- (m) Resolution No. 297-84, Authorizing the Executive Director of the Agency to request the Board of Supervisors of the City and County of San Francisco to take all necessary and appropriate actions with respect to: (i) the GSA site; (ii) the financing and construction of the facilities to be publicly owned; (iii) the Agreement to Lease and related documents (Moscone Convention Center rooftop); (iv) a revised project budget in connection with the Yerba Buena Center Project; (v) other matters relating to implementation of the Disposition and Development Agreement with YBG Associates; Yerba Buena Center.
- (n) Adopting a policy statement concerning cultural facilities proposed for YBG; Yerba Buena Center.
- (o) Adopting a policy statement concerning housing funds for YBC; Yerba Buena Center.
- (p) Resolution No. 298-84, Authorizing the Executive Director to request approval of the Board of Supervisors of the City and County of San Francisco to modify existing Tax increment authority; Yerba Buena Center.

Mr. Arnette arrived at this time, 5:05 p.m.

NEW BUSINESS (continued)

Mr. Joseph Madonna, General Manager, Olympia and York, made the developer's presentation.

President Lee then called for public testimony and the following persons who are listed in the order of appearance spoke on the Yerba Buena Center matters: Michaela Cassidy, Technical Assistance Committee; Stephen Goldstine, V.P. California Arts Council and President of S.F. Art Institute; Margaret Jenkins, Margaret Jenkins Dance Company; Dian Blomquist, Former Redevelopment Commissioner; Doug Engmann, Director's Advisory Group; Jack Crowley, S.F. Labor Council; Msgr. Clement J. McKenna, St. Patricks Church; Lisa Klairmont, SPUR; Dino Di Donato, Pocket Opera; John Elberling, TODCO; Gene Coleman, Director's Advisory Group; Bob McDonald, Construction Trade Council; James Jefferson, Black Chamber of Commerce; Enrica Zabal, South of Market Neighborhood Association; Doris Kahn, Director's Advisory Group; Indria Mungol, City Celebration; Larry Tom, Representing Charles Lamb, President, Local 2; Bernard Averbuch, Market Street Project; Michael Stanton, S.F. Chapter, A.I.A., Chairman of Urban Design Committee; Richard Morten, S.F. Chamber of Commerce; Daniel Hess, S.F. Visitors & Convention Bureau.

President Lee announced that the meeting would be recessed briefly. The meeting recessed at 6:25 p.m. and reconvened at 6:40 p.m. with the same roll call. President Lee indicated that public testimony would continue.

Rod McLeod, Filipino Bar Association; Darius Aidala, Jerry's and Johnny's; Ellen Roberts; Michael Levin; Steven Sears, South of Market Grocery; Richard Tamler, Israel Dance Troupe; Brad Paul, Director, North of Market Coalition; Mary Lam, Salvation Army Services Activities Service Center; David Jenkins, ILWU; Robert Morales, Teamsters, Local 350; Keith Eichman, Warehouse, Local 6.

There being no further persons wishing to appear in connection with these matters, the President declared the public hearings closed.

After discussion between Commissioners and staff, the following actions were taken:

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 291-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 292-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 293-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 294-84 BE ADOPTED.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 295-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 296-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 297-84 BE ADOPTED.

MOTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. LEE, AND UNANIMOUSLY CARRIED THAT THE AGREEMENT FOR OPERATION OF CULTURAL FACILITIES BE INCLUDED WITH THE POLICY STATEMENT CONCERNING CULTURAL FACILITIES PROPOSED FOR YERBA BUENA GARDENS IN YERBA BUENA CENTER.

ADOPTION: IT WAS MOVED BY MR. BERK, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT THE POLICY STATEMENT CONCERNING CULTURAL FACILITIES PROPOSED FOR YERBA BUENA GARDENS IN YERBA BUENA CENTER, AS AMENDED TO INCLUDE THE AGREEMENT FOR OPERATION OF CULTURAL FACILITIES, BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT THE POLICY STATEMENT CONCERNING HOUSING FUNDS FOR YERBA BUENA CENTER BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 298-84 BE ADOPTED.

NOTE: A COMPLETE TRANSCRIPT OF THIS HEARING IS ON FILE IN THE OFFICE OF THE AGENCY SECRETARY.

ADJOURNMENT

It was moved by Mr. Arnelle, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 7:45 p.m.

Respectfully submitted,



Patsy R. Oswald  
Secretary

APPROVED

November 27, 1984



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
13TH DAY OF NOVEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 13th day of November, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian

and the following were absent:

Walter S. Newman  
H. Jesse Arnette

The President declared a quorum present.

Redmond F. Kernan, Acting Executive Director, and staff members were also present.

Also present were Nicola Smith, Amos Brown, Third Baptist Church; Harold Bexton, Fillmore Associates; Mary Rogers, Western Addition Project Area Committee (WAPAC); Elsie Rossen, Mayor's Office of Housing and Economic Development; Bonnie Brian, Dewpoint Construction; Eleanor Ramsey, Mason Tillman Associates; James Carr, Attorney; Nolan Frank, Essie Collins, Michael E. Hornstein, Alan Cadgene and Eliel Redstone, interested citizens.

APPROVAL OF MINUTES

It was moved by Ms. Berk, seconded by Mr. King, and unanimously carried that the minutes of the regular meeting of October 23, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director, Redmond F. Kernan, reported to the Commissioners on the following matters:

- (a) Mr. Hamilton is on vacation and will return to the office November 19.

NEW BUSINESS

- (a) Resolution No. 299-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with Bruce E. Loughridge and Lawrence M. Spengel for the building located at 1402-04 Post Street in the Western Addition A-2.

NEW BUSINESS (continued)

Mr. Kernan reported on item (a) as follows. In May 1984 the Commission approved an LDA with the developers for the purchase and rehabilitation of a three-story 1890 Victorian containing two residential units. It is proposed to rehabilitate the property as four residential condominium units. Final rehabilitation plans and specifications were submitted, however, the developers have been unable to obtain financing due to high construction costs and on October 24, 1984, were placed in default for failure to submit the required evidence of financing. The developers have requested additional time to submit revised rehabilitation drawings in order to lower the construction costs and provide evidence of financing. The developers are confident that with these modifications, a financial commitment will be secured. The Performance Schedule now calls for submission of evidence of financing by December 24, 1984 and conveyance of the site by February 12, 1984.

President Lee inquired how much the bid was over budget and Mr. John Walsh, architect, indicated it was \$100,000 over budget, but expressed confidence that, with the redesign, construction costs would be lowered.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 299-84 BE ADOPTED.

- (b) Resolution No. 300-84 requests authorization to re-enter into exclusive negotiations with Janet Roche, Daniel Solomon and Allan Cadgene, until February 13, 1985 for Parcel 11-D(1) located on the east side of Beideman Place between Ellis and O'Farrell Streets in the Western Addition A-2.

Mr. Kernan reported on item (b) as follows. In March 1984 the Commission authorized exclusive negotiations with the developers who originally proposed to construct seventeen residential units comprised of eight market-rate condominiums and nine rental units. It was intended to use the City's Multi-Family Bond Program to finance the rental portion of the development, however, after six months of negotiations, the Mayor's Office of Housing and Economic Development has been unable to find a lender willing to provide mortgage money for small rental developments. Since the rental portion of the development is not feasible without bond financing, the developers now propose to construct a twelve unit condominium development, all with two bedrooms and two baths. Staff believes that this reduction in units is beneficial to the site as well as the adjacent neighborhood. The City's Single Family Bond Program is expected to be available for mortgage financing by the anticipated date of conveyance in the summer of 1985. The Developer will be required to submit new schematic plans and satisfactory evidence of the availability of equity capital by January 9, 1985. Notice of Public Hearing will be prepared no later than January 16, 1985 and the matter brought before the Commission for consideration prior to February 12th.

NEW BUSINESS (continued)

President Lee noted that the number of units were being reduced from 17 to 12 and Mr. Allan Cadgene indicated that, with the proposed change to all condominiums, the density does not have to be so great. President Lee inquired what the outcome would be if Single Family Bond Financing was not obtained and Mr. Cadgene indicated they would have to return to the drawing board.

Mr. King indicated that, though he had no monetary interest and would not gain anything from the development, he would abstain from voting on this matter because one of the developers is a relative.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN AND SECONDED BY MS. BERK THAT RESOLUTION NO. 300-84 BE ADOPTED, AND ON ROLL CALL THE FOLLOWING VOTED "AYE":

Ms. Berk

Mr. Mardikian

Mr. Lee

AND THE FOLLOWING VOTED "NAY":

None

AND THE FOLLOWING ABSTAINED:

Mr. King

THE PRESIDENT THEREUPON DECLARED THE MOTION CARRIED.

- (c) Resolution No. 301-84 requests authorization to re-enter into exclusive negotiations with Thomas J. Ottoman and Eliel G. Redstone, until February 15, 1985, for parcel 754-B located on the north side of Golden Gate Avenue between Pierce and Steiner Streets in the Western Addition A-2.

Mr. Kernan reported on item (c) as follows. In August 1984 the Commission approved exclusive negotiations with the developers who originally proposed to build ten rental units, however, evidence of financing has not been provided because of delays in the City's Multi-Family Bond Program and the Mayor's Office of Housing and Economic Development has been unable to secure mortgage financing for the small rental developments in the program. Since the Developers are doubtful small developments will be able to participate in the Multi-Family Bond Program, they have requested approval to build an all condominium, rather than rental development, consisting of six units and have applied for financing through the City's Single Family Bond Program. Revised schematic plans and satisfactory evidence of the availability of equity capital must be submitted by the developer

NEW BUSINESS (continued)

by January 9, 1985 and staff will prepare the Land Disposition Agreement for Notice of Public Hearing no later than January 16, 1985. The matter will be brought before the Commission for consideration prior to February 12th.

Ms. Berk expressed disappointment that developers are not able to build rentals, through no fault of theirs, and inquired if there was any way financing could be made available for rental developments. Mr. Kernan indicated that so far the City has been unable to attract sufficient interest in the program to make funds available to assist small developers.

Elsie Rossen, representing Mr. Bill Witte, Executive Director, Mayor's Office of Housing and Economic Development, indicated that though they had approached many lending institutions in the community to participate in a Mortgage Bond Program, it was discovered that small projects did not pencil out and were therefore not feasible. There is quite a gap between what the developer can put in as equity and what the lender can put up as a first mortgage, amounting to as much as \$25,000 per unit and money cannot be found to fill that gap. Larger projects of 130 units or more are able to be financed because developers find ways to obtain financing through syndication or other means.

President Lee inquired whether the Single Family Bond Program would continue and Ms. Rossen indicated she believed the State will allocate funds for next year's program.

President Lee indicated his concern that the developer would be able to make a profit on the limited sales price of \$140,000 when a minimum of \$850,000 in construction costs are involved and Mr. Eliel Redstone indicated there is not expected to be a great margin of profit though the project is feasible, particularly because the developers are architects and general contractors for the project.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 301-84 BE ADOPTED.

- (d) Resolution No. 302-84 requests authorization to re-enter into exclusive negotiations with Fillmore Associates until February 13, 1985, for Parcel 726-A located on the southwest corner of Fillmore and O'Farrell Streets in the Western Addition A-2.

Mr. Kernan reported on item (d) as follows. In December 1983 exclusive negotiations were authorized with the developer who proposes to construct 120 market-rate residential condominiums, 22,000 square feet of ground floor retail commercial space and 164 parking spaces. Exclusive negotiations expired on March 14 when the developer did not finalize their architectural plans, nor their financing and marketing plans. Since April 1984 when the Commission gave authorization to re-enter into exclusive negotiations, an unsolicited proposal was received by the Agency

NEW BUSINESS (continued)

from Mr. Donald Tishman to develop a number of blocks of the Fillmore Center, including the subject parcel. Mr. Tishman, independently of the Agency, initiated discussions with the proposed developers and, as reported in an informational memorandum to the Commission of November 1st, although these discussions continue, staff believes it is appropriate to re-enter into exclusive negotiations with Fillmore Associates.

Mr. Mardikian inquired if the Commission was being requested to extend exclusive negotiations for a project which, as presently contemplated, will be changed and Mr. Kernan indicated that staff had not had an opportunity to analyze the Tishman proposal and therefore was not prepared to make a recommendation until that had been accomplished.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 302-84 BE ADOPTED.

- (e) Resolution No. 303-84 requests authorization of a Fifth Amendatory Agreement, extending the Performance Schedule by approximately 90 days, to the Land Disposition Agreement with the Third Baptist Church of San Francisco, Inc. for Parcel 750-A located in the block bounded by Eddy, Fillmore, Steiner and Turk Streets in the Western Addition A-2.

Mr. Kernan reported on item (e) as follows. In May 1982 the Commission authorized an LDA with the Developer who proposes to construct, in three phases, a commercial/office building fronting on Fillmore Street, an elementary school with a gymnasium for 360 students and a sanctuary with a maximum seating capacity of 4,000 persons. The Church has had limited success in its efforts to pre-lease the office building and the requested extension is to allow time to locate a joint venture partner to provide additional experience and financial strength. The Developer has authorized West Bay Local Development Corporation to act as its representative in all matters regarding the development of subject parcel. The revised Performance Schedule calls for submission of evidence of financing from July 3, 1985 to October 9, 1985 and conveyance of the site from September 4, 1985 to December 11, 1985. The Church recently advised that they are in the process of negotiating a joint venture agreement with Donald Tishman. While the Tishman discussions with staff continues, it is believed appropriate to grant the requested extension to the Third Baptist Church.

Reverend Amos Brown, Third Baptist Church, spoke before the Commission and urged their support of this extension.

Mr. King noted that the Tishman proposal had not been studied by the Commission.

Mr. Kernan noted that the Tishman proposal is informational only and this extension does not involve that proposal.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 303-84 BE ADOPTED.

- (f) Resolution No. 304-84 requests authorization to award Contract I - HARBOR with Riedel International, Inc. in an amount of \$10,990,000, on basis of lowest bid received in connection with Rincon Point-South Beach Project.

Mr. Kernan reported on Item (f) as follows. The contract covers demolition of several piers, dredging, construction of breakwaters, a floating dock system with utility services to provide approximately 700 berths for small boats and related work. Nine bids were received with the lowest bid from Riedel International which is approximately 33% below the Engineer's Estimate of \$14,648,968. This may be attributable to a highly competitive bidding climate, and to contract documents which define the work closely and minimize uncertainty for the bidder. Riedel International, Inc. is located in Portland, Oregon and the company is capable based on organization, experience, equipment and financing. The Contractor's affirmative action and safety programs have been reviewed and are considered to be satisfactory. Funds are available for this contract from a number of sources including proceeds from a loan from the California Department of Boating and Waterways and from sale of Revenue and Tax Allocation Notes.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 304-84 BE ADOPTED.

- (g) Resolution No. 305-84 requests a finding that Riedel International, Inc.'s failure to designate Dewpoint Construction Services as the electrical subcontractor was a result of a clerical error and permitting Riedel to utilize Dewpoint for Contract No. 1-Harbor, Rincon Point-South Beach.

Mr. Kernan reported on item (g) as follows. Item (f) authorized the award of Contract No. 1-Harbor to Riedel on the basis of low bid received. In analyzing their bid, staff noted that Dewpoint was apparently originally listed as the proposed mechanical and electrical subcontractor; however, the electrical designation was lined through. Riedel indicated they had lined out the electrical portion while it was reviewing other electrical subcontract bids. However, after determining that Dewpoint was most competitive, it intended to show Dewpoint as the electrical subcontractor, but in the rush of concluding the bid clerically failed to do so. After staff reviewed and analyzed the bid documents and work sheets used by Riedel in preparing its bid, they believe there is clear evidence this was a clerical error and support Riedel's contention in that respect. Dewpoint is a qualified women-owned business and would as the electrical subcontractor not only significantly increase the Woman and Minority Business Enterprise participation in the Contract, but exceed the goal.

NEW BUSINESS (continued)

President Lee inquired that, if another contractor protested these procedures, would the Agency have any legal liability. Leo Borregard, Agency General Counsel, indicated it is his understanding that as long as the subcontractor has the license at the time it is required to proceed, that is sufficient.

President Lee inquired that if Dewpoint failed to get their mechanical license would the Agency be liable for any additional costs and James Carr, Attorney representing Riedel, indicated that, under California law, if Dewpoint, at the time work is required to commence, does not hold a license, then Riedel would bring in another licensed mechanical contractor and would then approach the Agency to seek authorization to substitute. The award and the contract amount would not be affected in any way by Riedel having to bring in a different subcontractor.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 305-84 BE ADOPTED.

Mr. Kernan reported that a reception will follow this meeting in the 4th floor conference room to celebrate the moving forward of the Rincon Point-South Beach Project. The proposed award of the Contract 1-Harbor will allow a major public amenity in the Rincon Point-South Beach Project Area to commence which, in turn, will be a major impetus for developers to start to produce housing in the area.

- (h) Resolution No. 306-84 requests authorization to award a contract for Materials Testing, in the amount of \$95,000, to Signet Testing Laboratories, Inc.
- (i) Resolution No. 307-84 requests authorization to award a contract for Surveying, in the amount of \$55,000, to Martin M. Ron Associates.

Mr. Kernan reported on items (h) and (i) as follows. Both personal services contracts will provide staff with technical support to administer Contract I - HARBOR. Staff interviewed three firms for the materials testing and three for the surveying, taking into consideration in their selection of interviewees competence, facilities, ability to provide needed services, local office, minority of woman ownership and staff composition. Based on the interviews and previously satisfactory work performed for the Agency, staff recommends award of the contracts to the subject firms, both of whom employ a high percentage of women and minorities. Funds are available from proceeds of the recent note sale and the loan from the California Department of Boating and Waterways.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 306-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 307-84 BE ADOPTED.

NEW BUSINESS (continued)

- (j) Resolution No. 308-84 requests authorization of a Professional Services Contract with Mason Tillman Associates for Historic Consultant Services in connection with the Rincon Point-South Beach Project.

Mr. Kernan reported on item (j) as follows. The Final Environmental Impact Report/Statement, which was certified in November, 1980, required the Agency to conduct additional historic and archaeological investigations for the project area. Five firms submitted their Statement of Qualifications and were interviewed by a Staff Selection Committee who concluded the work tasks should be divided into two separate contracts. A contract with Archeo-Tech to perform additional research and archaeological monitoring of excavation was approved by the Commission in September 1984 and at that time a recommendation was made for Mason Tillman Associates to perform the oral history work. Negotiations with Mason Tillman were delayed but have now been successfully completed. The Agreement calls for completion of the final report in 120 days and compensation for all services specified in the contract not to exceed \$21, 047.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 308-84 BE ADOPTED.

- (k) Resolution No. 309-84 requests authorization to extend exclusive negotiations from December 5 to 19, 1984, with the Bay Area Residential Investment and Development Group (BRIDGE) for Solomon Village property, Block 4591-A, Lot 5, located adjacent to and northeasterly of Mariners Village in the vicinity of the Hunters Point Redevelopment Project area.

Mr. Kernan reported on item (k) as follows. BRIDGE is a non-profit organization which was formed for the purpose of assisting in the development of affordable housing in the Bay Area. In September 1984 exclusive negotiations were authorized with the Developer who proposes to construct 68 condominiums for low- and moderate-income households on the Solomon Village property and an additional 28 units on adjacent land owned by the Housing Authority. The units would be a mixture of three bedroom townhouses and two and three bedroom apartments with an average sales price of \$70,000. The Developer has applied for City Mortgage Revenue Bond Funds to be used for permanent financing. Certain site improvements are required for this development which cannot be absorbed at this affordable housing price and, in anticipation of this need, the Agency budget provides for \$490,000 and an additional \$200,000 has been requested for 1985, specifically for site improvements. The additional two week extension is requested to enable finalization of the agreements and master plan by November 21, 1984 and an LDA to be advertised no later than November 28th. The matter will be brought before the Commission for their consideration prior to December 18, 1984.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 309-84 BE ADOPTED.

- (1) Resolution No. 310-84 requests authorization to extend exclusive negotiations with ATAP International, Inc., until December 19, 1984 for Parcels T-1 through T-5 and Parcel T-7, located on the southeasterly side of Hudson Avenue at Keith Street in Hunters Point.

Mr. Kernan reported on item (1) as follows. Exclusive Negotiations were authorized in August of this year with the developer who proposes to build nine attached single family homes projected to sell for \$78,000. The Mayor's Office of Housing and Economic Development has approved \$755,100 for the project under the City's Single Family Mortgage Revenue Bond Program. While the developer has met the conditions of Exclusive Negotiations, the Agency is not yet able to deliver clear title to the property due to a mechanic's lien. However, the lien is expected to be lifted within the requested time extension.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 310-84 BE ADOPTED.

- (m) Resolution No. 311-84 requests authorization of a Real Estate Purchase Option Contract with the San Francisco Unified School District for the Hunters Point II School Site, Block 4700, Lot 10, located on the southeasterly corner of Ingalls Street and Kiska Road adjacent to the Hunters Point Redevelopment Project Area.

Mr. Kernan reported on item (m) as follows. In April 1981, authorization was given to negotiate for the purchase of the School site and in June 1982 a tentative agreement was reached whereby the Agency would purchase a three year option and attempt to market the property for private development. However, staff was concerned about the marketability of the site and postponed a recommendation to move forward with the arrangement. Since that time, staff has conducted planning and marketing studies indicating a need for the site for convenience commercial uses for the adjacent residential neighborhood. Soils test have been carried out and no special development problems were identified. One half the cost of \$4,000 for the test will be paid by the School District when and if the Agency purchases the site. The tentative agreement for a three year option reached in June 1982 has now been updated. The proposed land price is \$210,000. A non-refundable \$30,000 would be paid on the date of the contract, which would be deductible from the purchase price when and if the sale is consummated. There is an option of two one-year extensions by paying an additional \$10,000 per year towards the purchase price. The \$30,000 is available from budget funds and upon execution of the contract it is intended to immediately seek development proposals. The disposition with a selected developer would provide for the assignment of the Agency's Option Contract eliminating the need for further expenditure by the Agency.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 311-84 BE ADOPTED.

- (n) Resolution No. 312-84 requests authorization to extend exclusive negotiations with Michael and Ellen Hornstein until December 19, 1984 for Parcel C-1(6), located on the northeasterly corner of Evans Avenue and Newhall Street in India Basin.

Mr. Kernan reported on item (n) as follows. Exclusive Negotiations were authorized in August of this year with the Hornsteins who propose to construct a 38,700 square foot building to be leased by Snyder-Newell Company. Snyder-Newell, a growing direct mail processing firm presently employs 118 people. The Company has a satisfactory affirmative action record and have agreed to give employment preference to residents of the Bayview-Hunters Point neighborhood. The Bayview Hunters Point Joint Housing Committee has reviewed the proposal and find it acceptable. It is expected the proposed construction and use of the site by Snyder-Newell will result in a substantial increase in job opportunities in the India Basin Industrial Park area. The Hornsteins and the Snyder-Newell Company have reached a firm agreement for a long term lease for the entire building, however, a 30-day extension is needed to accomplish finalization and signing of the lease so that the Agency can be assured that the proposed use will be achieved. The developer will be required to submit an executed lease agreement by November 21 and the LDA will be brought before the Commission for consideration no later than December 18, 1984.

Mr. Kernan reported that a note had just been received indicating that Mr. Hornstein now requests an extension to January 9, 1985, with related changes to the other dates in the performance schedule. Mr. Kernan called upon Mr. Hornstein to address the Commission, since staff had not had time to evaluate this requested further extension.

Mr. Hornstein indicated that there had been a delay in signing the lengthy final lease, which is presently being reviewed by Snyder-Newell and their attorney. President Lee expressed concern about the length of time this was taking and Mr. Hornstein indicated that it would not be viable to have the signed lease available by November 27, which is the date required to advertise and conclude the transaction by December 19.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 312-84 BE ADOPTED AS AMENDED.

- (o) Resolution No. 313-84 requests authorization of a First Amendment to the Agreement for Legal Services with the law firm of Lee and Hui increasing the maximum amount payable by \$15,000 and expanding the Scope of Services section of the Agreement to include litigation services for all approved Redevelopment Project Areas.



NEW BUSINESS (continued)

Mr. Kernan reported on item (o) as follows. Lee and Hui, a minority law firm, has been assisting the Agency under this contract with document preparation in connection with the Yerba Buena Center since June 1983 and these services have now ended. The proposed services would include representing the Agency in pending litigation in connection with previously conveyed Agency property at 685-91 McAllister Street, namely, Lafayette S. Jamerson vs. Elizabeth Jamerson, SFRA, et al. Since the Agency's Legal Division is short of staff at this time due to the recent resignation of its Senior Attorney, it is necessary that outside counsel be engaged to represent the Agency in this action. It has been necessary for the Agency commence its defense of the lawsuit, therefore, the Amendment will provide that it is effective as of October 25, 1984. The original contract amount of \$25,000 has been partially expended on YBC document preparation and the proposed amendment will result in a new maximum contract amount of \$40,000.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MS. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 313-84 BE ADOPTED.

ADJOURNMENT

It was moved by Mr. Mardikian, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned to a closed session on litigation. The meeting adjourned at 5:27 p.m.

Respectfully submitted,

Patsy R. Oswald  
Secretary

APPROVED

April 16, 1985



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#4  
1/20/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
20TH DAY OF NOVEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:15 o'clock p.m. on the 20th day of November, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following was absent:

H. Jesse Arnelle

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were James San Jule, Harold Buxton, Fillmore Associates, Inc.; Joseph Drosihn, Stan Kassavic, Pepper Tharp, Drosihn & Kassavic; Donald H. Tishman, Housing Associates, Inc.; Nicola Smith, Ernest L. Oliver, Marian G. Bland, T.B.C.; M.J. Staymates, Rejanehlioby, Sharon Bretz, Chantale Wong, WANA; Nolan Frank, L.J. & F. Development Co.; Ocie Mae Rogers, Joint Housing Committee; Howard Thompson, Fillmore Merchants; Deborah Petrie, Mt. Zion; Burnette J. Forte, Jr., Albertine Rene Viser, Community Work Force; Terry Rawlins, Ella Hill Hutch Community Center, Pietro Belluschi, John C. Lewis, Essie Collins, Bert Kortz, Roosevelt Carrie, Randle Evans, Arnold Townsend, Joseph Skiffer, John Yearman, David Cincotta, Robert Davis, Tony Taylor, Amos Brown, Roy Chew, Joan San July, A. J. Lirot and Nicholas Dempsey, interested citizens.

Representing the press were Gerald Adams, San Francisco Examiner; Reginald Smith, San Francisco Chronicle.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of October 2, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the closed session of September 11, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the closed session of November 13, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On November 26 at 3 p.m. the Board of Supervisors will be hearing and considering for approval several items on the Yerba Buena Center. Agency staff will be there to present and respond to any questions the Board might have and will report to the Commission.
- (b) The Agency's offices will be closed Thursday, November 22 for Thanksgiving.

NEW BUSINESS

- ITEM 2 (a) Resolution No. 314-84 requests authorization to extend exclusive negotiations with Western Commercial Partnership to December 12, 1984 for ECR Parcel 3A(708B), located on the south side of Geary Boulevard between Fillmore and Webster Streets in the Western Addition Areas A-1 and A-2.

Mr. Hamilton reported on item (a) as follows. In September 1984 exclusive negotiations were authorized with the developer who now proposes to develop multi-family housing above ground floor commercial space and underground parking for the units. The WA-1 Redevelopment Plan does not permit residential development on the parcel. An Amendment to the plan is being considered for presentation to the Commission and Board of Supervisors. The developer has offered his cashier's check for \$50,000 and an agreement for its use, to reimburse the Agency, upon demand, for all expenses incurred provided written notice is received before the Agency incurs administrative or other expenses in excess of the advance. The requested extension is to enable staff to analyze the desirability of such a plan amendment for consideration by the Commission.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 314-84 BE ADOPTED.

- (b) This item is an informational presentation by Housing Associates Inc. (Donald H. Tishman) of their unsolicited proposal for development of Fillmore Center properties located south of Geary, north of Golden Gate Avenue and between Webster and Steiner Streets in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. It is recommended that the Commission publicly hear the presentation of this proposal, but withhold any substantive discussions of its merits until staff has completed its review and appropriate concurrences have been received from Third Baptist Church and Fillmore Associates.

NEW BUSINESS (continued)

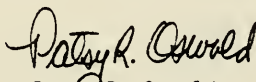
The following persons presented the developers proposal: James San Jule, Fillmore Associates, Inc.; Pietro Belluschi, Design Consultant; Joseph Drosihn, Drosihn & Kassavic; and Donald Tishman, Housing Associates, Inc.

The following persons commented on the proposed development: Randall Evans, Joseph Skiffer, Nolan Frank, Harold Buxton, Mary Rogers, Bert Kortz, John Yearman, and Arnold Townsend.

ADJOURNMENT

It was moved by Mr. Newman, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:45 p.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Patsy R. Oswald". The signature is fluid and cursive, with the first name "Patsy" being more prominent.

Patsy R. Oswald  
Secretary

APPROVED

December 4, 1984





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11/27/84

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
27TH DAY OF NOVEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 27th day of November, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian

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and the following were absent:

H. Jesse Arnelle  
Walter S. Newman

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Joint Housing Committee; and Roosevelt Carrie, Carrie Insurance Company.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of July 24, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the minutes of the regular meeting of October 30, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) Yesterday, the Board of Supervisors acted favorably on twelve of the thirteen items regarding the Yerba Buena Gardens. President Lee and Commissioners King, Berk, Mardikian and Newman were in attendance. The matter of CB-3 will be back before the Board on December 10th and Agency staff will keep the Commission advised of developments.

NEW BUSINESS

- (a) Resolution No. 315-84 requests authorization to extend exclusive negotiations with Roosevelt and Altheda Carrie until January 30, 1985, for Parcel 683-D(1) located near the southeast corner of Steiner and Sutter Streets in the Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. In August 1984 the Commission authorized exclusive negotiations with the developers to construct 42 market-rate condominiums comprised of one and two bedrooms with additional parking to accommodate their adjacent office building which has no parking. The proposed development is estimated to cost \$5,000,000 including the purchase of the site, and it is the opinion of staff that the developers lack sufficient financial strength to proceed with this project alone. The requested extension of negotiations by approximately 60 days is to allow the developers time to finalize a joint venture agreement to be brought before the Commission for their consideration.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 315-84 BE ADOPTED.

- (b) Resolution No. 316-84 requests authorization of First Amendatory Agreement to the Land Disposition Agreement with U.F. Service Corporation for Parcel 714-A(2) located on the northwest corner of Myrtle Street and Van Ness Avenue in the Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. In September 1984 the Commission approved an LDA with the developers for the construction of a mixed use development containing office space, retail commercial space and thirty residential condominiums. The architects have commenced work on the preliminary construction documents, however, they are not expected to be completed by the required November 28th submission date. U.F. Corporation has requested a 90-day extension to the Performance Schedule which would extend the submission dates for evidence of financing from July 1985 to October 1985 and conveyance of the site from September 4, 1985 to December 4, 1985.

Mr. Mardikian inquired about the status of the design and Mr. Hamilton indicated that the design had not proceeded on a timely basis but with this extension the developer will proceed with the next steps in the design process.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 316-84 BE ADOPTED.

- (c) Resolution No. 317-84 requests authorization of a Fourth Amendment extending by 180 days the Permit to Enter with O & Y Equity Corporation/Marriott Corporation/Willis (OYM) for purposes of demolition and site clearance of 49 Fourth Street, the former GSA Property in Yerba Buena Center.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (c) as follows. A Permit to Enter was authorized in December 1983 and a number of subsequent extensions were granted. Marriott Corporation, agents for the Developer, have now requested an extension to complete demolition and clearance of the site under the revised plan to carry out demolition below the first floor slab of the building.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 317-84 BE ADOPTED.

- (d) Resolution No. 318-84 requests authorization for Helen Sause, Project Director for Yerba Buena Center, to travel to Washington, D.C. to attend a NAHRO Conference in February of next year.

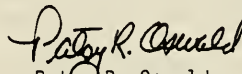
Mr. Hamilton reported that this item is being continued because he wished to discuss the timing with Ms. Sause.

RULE OF THE CHAIR: President Lee indicated that subject to the objection of any Commissioner that item (d) would be continued for one week. There being no objection it was so ordered.

ADJOURNMENT

It was moved by Mr. King, seconded by Ms. Berk, and unanimously carried that the meeting be adjourned to a closed session on personnel. The meeting adjourned at 4:20 p.m.

Respectfully submitted,

  
Patsy R. Oswald  
Secretary

APPROVED

December 4, 1984





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
4TH DAY OF DECEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 4th day of December, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnelle  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

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and the following were absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Ocie Mae Rogers, Bayview Hunters Point Joint Housing Committee; Lavolia Baker, Elizabeth Jamerson, interested citizens.

APPROVAL OF MINUTES

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of November 20, 1984, as distributed by mail to the Commissioners, be approved.

It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the minutes of the regular meeting of November 27, 1984, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On December 3 the Board of Supervisors passed an Ordinance on second reading on the Yerba Buena Center matters. The matter of Central Block 3 will be before the Board of Supervisors on December 10 and the Commission will be requested to act upon final documents for Central Block 3 on December 11. Staff will keep the Commission advised of developments on YBC as they occur.
- (b) He would be the Guest Speaker at a luncheon sponsored by the Black Chamber of Commerce at Noon on December 12 in the Japanese Pavilion Room at the Cathedral Hill Hotel.

- (c) This year staff will celebrate Christmas with a luncheon in the Japanese Pavilion Room in the Cathedral Hill Hotel on December 14.
- (d) President Reagan's Director of the Office of Management and Budget, David Stockman, has presented a list to the President of possible cuts in domestic spending, which include abolishing Community Development Block Grant (CDBG) and Urban Development Action Grant (UDAG) Programs. NAHRO is opposing these cuts. In the past such proposals have become initiatives in the Administration's policy.

#### UNFINISHED BUSINESS

- (a) Resolution No. 318-84 requests authorization for Ms. Helen Sause, Project Director for Yerba Buena Center, to travel to Washington, D.C., February 1-6, 1985, to attend the NAHRO Legislative Conference and Board of Governors' Meeting.

Mr. Hamilton reported on item (a) as follows. Ms. Sause will be chairing the CR&D Committee meeting and as a member of the Steering Committee will attend the Board of Governors meeting. Her participation in the Legislative Conference will include moderating a panel which will provide an opportunity to meet with Congressional representatives, evaluate legislative proposals, discuss the Administration's proposals for the CDBG program and funding appropriations and participate in the second Annual Breakfast for the California Congressional delegation. In light of the diminution of funding for housing and community development programs, this Agency's continued participation through the National NAHRO auspices is critical to its ability to carry out its activities. Ms. Sause's travel will be subject to any Yerba Buena Center priorities that may occur.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 318-84 BE ADOPTED.

#### NEW BUSINESS

- (a) Resolution No. 319-84 requests authorization of an Eighth Amendatory Agreement extending the Performance Schedule to the Land Disposition Agreement with Leroy Wise, Sr. and Lila M. Wise for Lot 12, Site S-4, located on Lindsay Circle on Hunters Point Hill, Hunters Point.
- (b) Resolution No. 320-84 requests authorization of a Seventh Amendatory Agreement extending the Performance Schedule to the Land Disposition Agreement with SOCA Development Company for Lot 5, Site S-4, located on Carpenter Court, Hunters Point.

Mr. Hamilton reported on items (a) and (b) as follows. LDA's were authorized with sixteen developers for the construction of single family homes within Site S-4. An extension has been requested by subject developers to provide the necessary time to commence construction. After close examination staff has

determined that development plans have been completed and arrangements for concluding financing are in process. Both Amendatory Agreements extend the date for conveyance of the site from November 21, 1984 to January 23, 1985. Necessary re-appraisals have been made which indicated no change in land value.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 319-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 320-84 BE ADOPTED.

- (c) Resolution No. 321-84 requests authorization of a First Amendatory Agreement to the Land Disposition Agreement with Nolan Frank and Frances Lung for Parcels 1129-I and 1129-Q located at 1800-04 Turk Street/1101 Divisadero Street and 1107-11 Divisadero Street in the Western Addition A-2.

Mr. Hamilton reported on item (c) as follows. In May 1984 an LDA was authorized with the developers for the purchase and rehabilitation of the two parcels to be developed as a single 16-unit residential building. The developers were placed in default on November 9, 1984, for failure to submit evidence of financing by the required date of November 1st and were given until December 9th to cure this. With regard to California Housing Finance Agency (CHFA) Rental Housing Bond Program financing of \$711,000, which is underwritten by the Bank of America, the bank has advised that a firm commitment is expected to be issued shortly, upon completion of their appraisal. Approval of a \$50,000 State Deferred Loan is contingent upon a firm commitment from the Bank of America under the bond program. However, this approval is not expected before December 15th and will be followed by a further 2-3 week delay to allow for processing through and by various City Departments. An Agency Deferred Rehabilitation Loan of \$100,000 was approved by the Commission in September 1984, which is part of this financing. The New Performance Schedule calls for submission of evidence of financing by January 16, 1985 and conveyance of the site by February 28, 1985.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 321-84 BE ADOPTED.

- (d) Resolution No. 322-84 requests authorization of a Tenth Amendatory Agreement to the Land Disposition Agreement with Luchan G. and Lavolia Baker, assignees of Elizabeth G. Jamerson, for parcel 785-A(1), at 685-91 McAllister Street in the Western Addition A-2.

Mr. Hamilton reported on item (d) as follows. In August 1980 the Commission approved an LDA with Elizabeth Jamerson for the purchase and rehabilitation of a 24 unit apartment building with ground floor commercial space. The LDA has subsequently been amended several times, the last amendment being in February 1983.

The property was conveyed to Mrs. Jamerson on April 12, 1983, and the LDA provided for construction to be completed within 12 months of conveyance. In May 1984 Mrs. Jamerson was placed in default under the LDA for failure to complete rehabilitation within the time allowed. A cure period under the provisions of the LDA expired November 21, 1984, and therefore the LDA will terminate on December 5, 1984, unless otherwise determined by the Agency at a public meeting held before that date. In September 1984 the Commission approved assignment and transfer of Mrs. Jamerson's interest to Luchan and Lavolia Baker, however, conveyance pursuant to the approved assignment has not taken place to date. Following approval of this assignment a thirty day period was allowed for the purpose of certifying certain additional costs claimed by Mrs. Jamerson, however, this period has passed without the costs being certified. Also, following approval by the Commission, the Bakers obtained a lower bid which required additional time for evaluation by staff. Final details on that evaluation are being completed and conveyance is expected very shortly. Work has not recommenced since Mrs. Jamerson terminated her contract with Jamerson Contractors on April 19, 1984. Since only 25% of the work has been completed, an additional nine month period for completion is recommended, commencing upon the date of conveyance to the Bakers. The requested Tenth Amendatory Agreement further provides that the LDA will be automatically terminated if assignment of interest between Mrs. Jamerson and the Bakers does not take place within thirty days of approval of the amendment.

President Lee inquired if the lower bid referred to was bonded and Mrs. Lavolia Baker indicated affirmatively.

Mrs. Elizabeth Jamerson indicated that she had another buyer who was willing to assume the whole loan and inquired whether this would be considered and Mr. Hamilton indicated that the recommendation before the Commission was the present offer from Mr. and Mrs. Baker and a new offer would need to be examined if and when that time comes.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 322-84 BE ADOPTED.

- (e) Resolution No. 323-84 requests authorization of the Reinstatement of the Preference Certificate of Lafayette Jamerson exercised in connection with the Land Disposition Agreement for rehabilitation of the building located at 685-91 McAllister Street, Western Addition A-2.

Mr. Hamilton reported on item (e) as follows. In 1980 when Mrs. Elizabeth Jamerson's offer to purchase the subject property was considered by the Commission, Mr. Lafayette Jamerson, dba Jamerson Printing Company, offered to have his Preference Certificate exercised in addition to Mrs. Jamerson's Certificate, as a condition of approving the LDA with Mrs. Jamerson; the reason for this being that, upon completion of rehabilitation of the building he expected to re-establish his printing business in



the property. The approved LDA provided for the exercise of both certificates. Due to the impending conveyance of the property to the Bakers, the benefit Mr. Jamerson had expected to derive through the exercise of his certificate will not eventuate. Therefore, it is recommended that Mr. Jamerson's Preference Certificate No. 4825 be reinstated upon conveyance of the property to the Bakers or to any other Agency-approved assignee.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 323-84 BE ADOPTED.

- (f) Resolution No. 324-84 requests authorization of submission of a joint application by the Agency and the Port to the State Lands Commission for a determination that residential uses on Sites J and K, Rincon Point-South Beach, comply with the Burton Act.

Mr. Hamilton reported on item (f) as follows. The State Lands Commission is empowered to act for the State in administering the Burton Act, which authorizes transfer of all lands within San Francisco that were used in connection with the San Francisco Harbor from the State to the City and County of San Francisco. Discussions are in process with the State Lands Commission staff. Since the Rincon Point-South Beach Redevelopment Plan, under a September 1984 Option to Lease Real Property, authorizes the lease of subject Sites for residential use if in compliance with the Burton Act, a resultant determination may be made by Commission staff thus eliminating the necessity for a formal application, the fee for which would be less than \$500.

Mr. Newman inquired as to the repercussions if the Agency and the Port were found not to be in compliance with the Burton Act and why this point had not been brought up and investigated before. Mr. Hamilton indicated that no problems had been anticipated until submission of the subject application had been requested. If non-compliance was determined by the State Lands Commission when difficulties would be encountered and plans would have to be changed to comply with the Burton Act. Mr. Cannizzaro indicated that the matter had been addressed at the start of the project and there is a letter on file from the State Lands Commission attorney which confirms the Agency's interpretation of the Burton Act that the Port has authority to determine appropriate land uses.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 324-84 BE ADOPTED.

- (g) Resolution No. 325-84 requests authorization to expend \$18,000 for an initial marketing effort for the South Beach Harbor, Rincon Point-South Beach.

Mr. Hamilton reported on item (g) as follows. Various plans for the South Beach Harbor have been approved over the past two years. These included a financing plan, which included an allowance of \$180,000 for marketing efforts for the berthing system portion. These funds were provided as part of a recent



note sale. Revenue from berth rental is the key element of the financing plan and one month's rental of all berths is expected to be approximately \$150,000. Since the South Beach Harbor will be the first major public development effort on the waterfront in many years, the initial marketing efforts should capitalize on this event in an endeavor to accelerate development on the waterfront, as well as, the rate of berth rental. A ground breaking ceremony has been scheduled for Thursday, December 13 at 11 a.m. at Pier 44, followed by a luncheon at the Ship Clerks' Hall. Representatives of boating organizations have been invited and representatives from the City, the Port and the Redevelopment Agency and other regulatory and approval agencies will be present to respond to inquiries. Also in attendance will be members of the press and various Civic leaders.

President Lee inquired whether a specific rental fee had been determined to which Mr. Cannizzaro replied \$7.00 per linear foot. President Lee inquired as to the competitiveness of this rate versus other berthing facilities in the Bay Area. Mr. Cannizzaro indicated that the rates for South Beach Harbor are on the high-end of the scale at the moment. Presently other berthing facilities are charging \$6.50 to \$7.00, however, an increase of 10-15% is expected over the next two years and it is not felt that rates for the harbor should start at 1984 prices. President Lee asked for a comparison of proposed South Beach Harbor rates with those of Pier 39 and the Marina Green facilities. Mr. Cannizzaro indicated that the facilities at Marina Green have a waiting list, whereas Pier 39 does not. Marina Green rates are \$2.90 to \$3.40 per linear foot of berth and Pier 39 rates \$6.75 - \$7.50 per linear foot of berth for those berths which are rented. However, many of those berths are sold as dockominiums.

Mr. Newman inquired whether fees would be accepted prior to completion, assuming the requested funds are expended for the luncheon as a promotional vehicle. Mr. Cannizzaro indicated a deposit could be accepted against the first months rent, however, actual rents could not be accepted until the berths become available for use. Mr. Newman asked whether it was the the intention of the promotion to offer the boating slips for reservation at this time. Mr. Cannizzaro replied that the purpose is to induce people to request applications for berths so a mailing list could be created for those persons expressing such interest. When the applications and tenure policies have been approved application forms would then be sent to those people. A lottery would be held as of a certain date. After that, any berths remaining would be assigned on a first come, first serve basis.

Mr. Newman noted that \$180,000 is available in marketing funds and the requested \$18,000 is an initial expenditure of the \$180,000. He inquired what the plans are for the balance and Mr. Cannizzaro indicated that the balance would be used as may be required and as prudent to continue the marketing of the berths. Hopefully, there will not be a need to use it at all. Mr. Newman inquired if any unspent money could be used to retire the bond

and Mr. Cannizzaro indicated affirmatively. Mr. Newman inquired if the berth retinal could be attached to the residential area of the project. If developers were to put a deposit down for a number of slips, this could be part of their marketing effort. Mr. Cannizzaro said this cannot be done as there are two problems. First, the Bay Conservation and Development Commission (BCDC) permit does not currently allow reservation of berths. Secondly, the terms of the loan with the California Department of Boating and Waterways requires that berths be available to the public on an equal basis. Mr. Newman inquired whether it would be possible to make a tie-in between a berth and an apartment. Mr. Cannizzaro replied that this also appears not to be possible for the same reasons as already indicated and, in addition, there are some tax exempt bond issues that would need to be worked out as they affect the municipal financing for the project.

Mr. Arnelle inquired if a developer could be an intermediary and Mr. Cannizzaro indicated that the basic thought was that the berths will be reserved for individuals or companies and that the reservation is not transferable. Mr. Arnelle indicated that as a policy consideration, could a persons who has rented space assign the same slip to someone else, as it seems that should not happen and Mr. Cannizzaro indicated this is a very valid point of view and it is basic to the application and tenancy policies. However, there is not yet a staff position on this issue but those are factors needed to be taken into account when formulating applications and tenancy.

Mr. Newman indicated that, prior to an announcement to the public, all matters should be resolved so that people know the conditions under which they can rent the slips. Mr. Cannizzaro expressed agreement and indicated that in a few months time a recommended set of rules would be brought before the Commission for their consideration.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 325-84 BE ADOPTED.

President Lee indicated that the meeting would be recessed to the fourth floor conference room for Item 9(h). The meeting recessed at 5:05 p.m.

The meeting reconvened at 5:15 p.m. with the same roll call.

- (h) Workshop to present design proposals for the Development of Parcel 3763-A, southeast corner of Third and Harrison Streets and Parcel 3751-P, northeast corner of Harrison and Lapu Lapu Streets, Yerba Buena Center.

Mr. Hamilton reported on item (h) as follows. The purpose of this workshop is to have staff present design proposals that were received for two parcels under negotiations in Yerba Buena Center. One proposal was received for development of Parcel 3763-A from Third Street Gateway Associates and two proposals

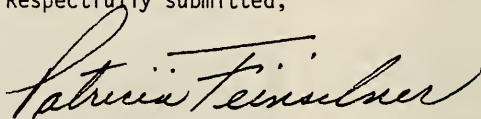
were received for development of Parcel 3751-P; Harrison Street Associates and Anvil Harrison Partners.

Staff described each proposal and Mr. Hamilton indicated that staff would complete analysis of the proposals and calendar a recommendation at a future Agency meeting.

ADJOURNMENT

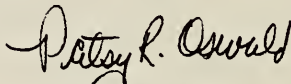
It was moved by Mr. King, seconded by Mr. Newman, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:00 p.m.

Respectfully submitted,



Patricia Feinsilver  
Acting Secretary

Edited By:



Patsy R. Oswald  
Secretary

APPROVED

January 15, 1985

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
11TH DAY OF DECEMBER 1984

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 11th day of December, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
Charlotte Berk  
Haig Mardikian

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and the following were absent:

H. Jesse Arnelle  
Walter S. Newman

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Rhody A. McCoy, James E. Stratten, Future Perfect, Inc.; Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); Mary Jane Staymates, Western Addition Neighborhood Association (WANA); Ocie Rogers, Joint Housing Committee; Wayne Y. Yee, The Professionals; Dan Miskie, Lew Sayb, Formation Group; Nicolas Dempsey, Western Commercial; and Essie Collins, Developer.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The first reading of the Yerba Buena Center Lease for the Moscone Convention Center Rooftop passed the Board of Supervisors on December 10. This moves the Agency significantly closer to conclusion of public actions and final agreements. At 11 a.m., December 19, a Press Conference will be held at the Mayor's Office with Mr. Reichman of Olympia & York. At this time there will be the actual signing of documents and finalization of agreements.
- (b) There will be a Rincon Point/South Beach Small Boat Harbor groundbreaking and marketing effort on December 13, 1984, at Pier 44 at 11:00 a.m.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in the Land Disposition Agreement with Bay Area Residential Investment and Development Group for Assessors Block 4591-A, Lot 5, located adjacent to and northeasterly of Mariners Village, Hunters Point.

Mr. Leo Borregard, Agency General Counsel, requested this item be continued for one week.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, this public hearing and action on this item would be continued for one week at staff request. There being no objection it was so ordered.

- (b) Resolution No. 327-84 requests authorization of a Second Amendatory Agreement, revising the performance schedule, to the Land Disposition Agreement with Bennie Wright for Lot 9, Site 4, located on Lindsay Circle, Hunters Point.

Mr. Hamilton reported on item (b) as follows. LDA's were authorized with sixteen developers for the development of single family homes in Site S-4. An LDA was entered into with the developer in February 1984 after he submitted financial data indicating he had the ability to construct a single family home at an estimated selling price of \$145,000. He proceeded on schedule but has been unable to obtain financing. Staff has endeavored to find sources of financing for Mr. Wright and other small S-4 developers without success. The new Performance Schedule calls for submission of evidence of financing by February 27, 1985 and conveyance of the site by April 10, 1985.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 327-84 BE ADOPTED.

- (c) Resolution No. 328-84 requests authorization of a Second Amendatory Agreement, extending the date for conveyance to February 27, 1985, to the Land Disposition Agreement with E. J. Henry Kopatschek, Inc. for Parcel S-5 bounded by Newcomb Avenue, Whitney Young Circle, Site S-4 and La Salle Avenue, Hunters Point.

Mr. Hamilton reported on item (c) as follows. In February 1984 an LDA was authorized with the developer for construction of 19 single market-rate homes. In October 1984 a First Amendatory Agreement was approved extending the conveyance date to December 19, 1984. Mr. Kopatschek and Mr. Sanchez have been in business together for some time and are experienced single family home builders. While the developer is non-union, he will pay prevailing wage rates and abide by the Agency's affirmative action program. The developer has been accepted for the Mayor's Office of Housing and Economic Development's 1984 Single Family Mortgage Revenue Bonds Program and has been approved for \$2,300,000 in take-out financing. He expects to obtain



NEW BUSINESS (continued)

construction financing by the end of the year, however an extension to February 27, 1985 is requested to allow for unforeseen delays.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 328-84 BE ADOPTED.

- (d) Resolution No. 329-84 requests authorization of a First Amendment to the Agreement for legal services with the law firm of McCutchen, Doyle, Brown and Enersen, Hunters Point.

Mr. Hamilton requested that this item be continued for one week.

RULE OF THE CHAIR: President Lee indicated that, subject to the objection of any Commissioner, item (d) would be continued for one week at staff request. There being no objection it was so ordered.

- (e) Resolution No. 330-84 requests authorization of a Second Amendatory Agreement, revising the Performance Schedule, to the Land Disposition Agreement with Future Perfect, Inc. for Parcel D located in the block bounded by Third and Newhall Streets and Evans and Galvez Avenues, India Basin Industrial Park.

Mr. Hamilton reported on item (e) as follows. In June 1984 an LDA was authorized with the developer who proposes to construct a two-story building for commercial use plus structured parking. A delay occurred because the developer had retained new architects and a First Amendatory Agreement was approved in July 1984 requiring submission of final Construction Documents by December 19, 1984, however the developer is unable to meet this revised date. The revised Performance Schedule calls for submission of final Construction Documents by July 10, 1985, Evidence of Financing by November 6, 1985 and Conveyance of Site by December 4, 1985.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 330-84 BE ADOPTED.

- (f) Resolution No. 331-84 requests authorization to execute a Letter of Agreement with the City and County of San Francisco which continues a work order arrangement providing the continuance of the services of Mr. Martin Gustavson to the Mayor's Office of Community Development (OCD) for 1985.

Mr. Hamilton reported on item (f) as follows. When HUD categorical programs were consolidated in 1972, personnel familiar with HUD programs were transferred from various sources, including Mr. Gustavson from this Agency, to staff the Mayor's OCD. Mr. Gustavson currently fills the position of Deputy Director for Fiscal Management and Program Performance at a bi-weekly salary of \$2,211. In conjunction with the approvals

NEW BUSINESS (continued)

for the 1985 Community Development Program, Federal funds have been set aside in OCD's administrative budget to continue the work order arrangements with this Agency. Under this agreement the Agency will be fully reimbursed by the City for Mr. Gustavson's salary and staff benefits.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 331-84 BE ADOPTED.

- (g) Resolution No. 332-84 requests authorization to make individual exceptions to Section VI.A.2.g. of the Agency Personnel Policy.

Mr. Hamilton reported on item (g) as follows. The subject Section limits the amount of vacation that can be carried forward into the New Year to 240 hours and employees with vacation credit in excess of this, as of December 31st, have these hours deducted from their vacation account. Demands have been made on certain staff members during 1984, which to a large extent was their involvement with Olympia and York negotiations in connection with YBC, that will not permit them to use sufficient vacation time before the end of the year to bring their hours down to the 240 level. A maximum of six employees are involved and individual cases will be reviewed by supervisory staff. It is intended that any carry-over vacation will be used in 1985 thereby eliminating the necessity of a waiver next year.

Mr. Hamilton referred to a letter dated December 11, 1984, from United Public Employees Local 390/400 regarding Limitation on Vacation Leave and Compensatory Time for members of the Bargaining Unit. It was agreed that individual requests from members of the Bargaining Unit to carry vacation and compensatory time into the next calendar year would also be considered.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 332-84 BE ADOPTED.

- (h) Resolution No. 333-84 requests authorization of additional funds of \$500 in connection with travel by Mr. Redmond Kernan, Senior Deputy Executive Director, to Boston, Massachusetts to attend the ULI Conference October 16-20, 1984.

Mr. Hamilton reported on item (h) as follows. In September 1984 expenses for subject travel were approved in the amount of \$1,500, however, inadvertently hotel costs were not included in the total estimated cost given at that time.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 333-84 BE ADOPTED.

- (i) Resolution No. 334-84 requests authorization of a Third Amendatory Agreement, extending the Performance Schedule by approximately 90 days, to the Land Disposition Agreement with

NEW BUSINESS (continued)

Essie L. Collins for Parcel 1126-B, located on the north side of Eddy Street between Broderick and Divisadero Streets in the Western Addition A-2.

Mr. Hamilton reported on item (i) as follows. In November 1983 and LDA was authorized with the developer who proposes to build 13 market-rate residential condominiums, comprised of one, two and three bedroom units. Evidence of Financing is due December 12, 1984, and the developer is unable to meet this date. In addition, changes of design have delayed delivery of final plans to prospective contractors and lenders. Firm bid prices are being awaited in order to facilitate processing of the construction loan. The requested revised conveyance date will coincide with the absolute conveyance date. The 18 month purchase price will expire on May 29, 1985 and if conveyance is not accomplished by that date, the price will be subject to re-evaluation. The revised Performance Schedule calls for submission of Evidence of Financing from December 12, 1984 to March 13, 1985 and conveyance of the Site from February 13, 1985 to May 29, 1985.

President Lee inquired about the changes in design and Ms. Essie Collins indicated the changes were made to comply with City requirements, to meet court regulations and certain requirements requested by the Architecture Department of the Agency. This caused complete construction documents not to be ready thus delaying completion of financing documents.

Mr. Thomas Ma assured the Commission that basically all problems had been taken care of and no further delays were expected.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 334-84 BE ADOPTED.

- (j) Resolution No. 335-84 requests authorization to extend exclusive negotiations with Western commercial Partnership for ECR Parcel 3A, located on the south side of Geary Boulevard between Fillmore and Webster Streets in the Western Addition A-1 and A-2.
- (k) Resolution No. 336-84 requests authorization of an Agreement with Western Commercial Partnership regarding an Amendment to Western Addition A-1 Redevelopment Plan for the development of ECR Parcel 3A, Western Addition A-1 and A-2.

Mr. Hamilton reported on items (j) and (k) as follows. In September 1984 exclusive negotiations were authorized with the developer who proposes to develop multi-family housing above ground floor commercial space and underground parking for these units. The exclusive negotiations period with the developer will expire on December 12, 1984, unless the requested extension to May 29, 1985 is authorized. By that time staff believes an Amendment to the Western Addition A-1 Redevelopment Plan,

NEW BUSINESS (continued)

allowing residential development over commercial on the parcel, can be prepared and, if made effective, negotiations can be brought to a conclusion. The Western Addition A-2 Redevelopment Plan already permits such residential over commercial. The developer has agreed to provide funds for preparation of subject Plan Amendment and has offered his cashier's check in an amount of \$50,000 and an agreement for its use. For any expenditures over this amount, written notice will be given to the developer by the Agency. It is proposed that staff prepare a Plan Amendment for consideration by the Commission and subsequent recommendation to the Board of Supervisors.

Ms. Mary Jane Staymates, WANA, inquired if the proposed housing would be condominiums or rental units and Mr. Hamilton indicated that the units would be rentals. Ms. Staymates requested the extension not be granted at this time and that the commercial development be proceeded with as originally planned.

Mr. Mardikian inquired if the developer had taken a close look at the numbers as the Commission had had experiences with other developers who had come in with proposals for rentals, but shortly down the development process had returned and indicated that the number did not support rental development and they had had to be granted permission to proceed as condominiums. Mr. Dempsey, Western Commercial Development, indicated that this matter had been carefully reviewed and analyzed. Ms. Berk expressed support of Mr. Mardikian's concern on the number of developers who had had to shift from rental development to condominiums.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 335-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 336-84 BE ADOPTED.

- (1) Resolution No. 337-84 requests authorization of an Amendment to the Rental Agreement with Interstate Parking Company, formerly Jefferson Associates, Inc. for the use of Agency-owned property on the south side of Folsom Street between Third and Fourth Streets, Yerba Buena Center.

Mr. Hamilton reported on item (1) as follows. On the basis of highest bidder, in April 1982 a month-to-month rental agreement at a rate of \$4,200 was authorized with Jefferson Associates, Inc. for use of subject parcel. The parcel, which is scheduled for development as TODCO Site #3 Housing was unimproved at that time. At a cost of \$40,000 Jefferson Associates were required to make the necessary improvements with rent beginning June 1, 1982. Almost from inception of the rental agreement delinquencies occurred due apparently to financial difficulties, however, eventually all arrears were paid in July of this year. From



NEW BUSINESS (continued)

August to December 1984 a new arrearage of \$14,309 has been realized. Mr. Jefferson formed Interstate Parking Company in December 1983. In June 1984 Interstate Parking Company vacated the site as a result of the Agency entering into a Permit to Enter with the City and County of San Francisco for the Democratic Convention. Re-entry was scheduled for July 27th, however, due to the fact the lot was not usable, the parking operation did not re-commence until August 6, 1984. Previous patrons did not return after the Convention and Interstate has been unable to make their rental payments which increased to \$4,595, with the addition of 3500 square feet to the lot. The lot is getting very few patrons which Mr. Jefferson feels is due to the inconvenience to users caused by the Convention, a major staff section of the adjacent A.T. & T. building were relocated out of the City and competition from the Moscone Parking Garage. Mr. Jefferson claims his is a minority business enterprise operating only this one lot in San Francisco and is requesting a payment plan that will allow his tenancy to continue. A letter setting forth a proposal concerning marketing efforts is attached to staff memorandum of December 5th. After review of Mr. Jefferson's books, staff is doubtful the parking lot will become a profitable business. The requested amendment authorizes an arrangement with Interstate Parking for the leasing of this lot on basis of monthly gross revenues allocated - 80% to the Agency, 15% for parking tax, and 5% to Interstate Parking for operating expenses and profit. Those receipts will be reviewed monthly by the Agency. The amount received by the Agency will be allocated half to the arrearage and half as payment for the current month. This arrangement will be retroactive December 1, 1984 and continue until April 1, 1985, when the matter will be brought before the Commission for consideration.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 337-84 BE ADOPTED.

- (m) Resolution No. 338-84 requests authorization of modifications to the Agreement to Lease between the Agency, YBG Associates and the City and County of San Francisco and related documents for the Moscone Convention Center rooftop area, Yerba Buena Center.

Mr. Hamilton reported on item (m) as follows. The Board of Supervisors continued their consideration of the Yerba Buena Center Agreement to Lease and related documents from November 26 to December 10, 1984, to permit conclusion of negotiations. Both Mr. Hamilton and Mr. Borregard advised the Commission that these documents reflect what was before the Board of Supervisors and are the documents approved by them.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 338-83 BE ADOPTED.



NEW BUSINESS (continued)

- (n) Resolution No. 339-84 requests authorization to enter into exclusive negotiations until April 27, 1985 with Third Street Gateway Associates for Parcel 3763-A located at the southeast corner of Third and Harrison Streets.
- (o) Resolution No. 340-84 requests authorization to enter into exclusive negotiations until April 27, 1985 with Harrison Street Associates for Parcel 3751-P, located at the southeast corner of Lapu Lapu and Harrison Street, Yerba Buena Center.

Mr. Hamilton reported on items (n) and (o) as follows. Agency staff was authorized to arrange for disposal of these sites and have negotiated with a number of developers on both parcels. Soils conditions and the parking requirements were of major concern to most developers. Developers were requested to submit proposals on August 28, 1984. The proposals received have been evaluated and summaries of these evaluations have been made available to Commissioners. With regard to Parcel 3763-A, a proposal was submitted by Third Street Gateway Associates who have a strong development track record and good financial resources. While their pro-forma indicates the project is feasible, the potential for expensive excavation costs for subsurface parking could render the project infeasible. A condition of the proposed exclusive negotiations for four months will allow the developer time to complete soil reports and construction cost estimates within 60 days. Should it be determined a parking variance is required, staff will prepare a new recommendation for consideration by the Commission. Harrison Street Associates and Anvil Harrison Partners submitted proposals for Parcel 3751-P. Staff recommends entering into exclusive negotiations with Harrison Street Associates who have a good track record and the financial capability to carry out the proposed development. Again, a condition of the proposed exclusive negotiations for four months will allow the developer time to complete soils exploration and cost estimates within 60 days and should it be determined a parking variance is required, staff will recommend that the exclusive negotiations be terminated and the two developers asked to refine and re-submit proposals.

President Lee inquired whether Harrison Street Associates considered it would be possible to construct three levels of underground parking. Mr. Fritz Wooster, representing Harrison Street Associates, indicated a preliminary study had been made and a detailed study would be carried out during the 60 day period and expressed optimism that the tests during that period would have positive results, thus making the proposed underground parking project feasible. President Lee inquired if the developer understood that any expenses for soil explorations would be paid for by Harrison Street Associates and Mr. Wooster indicated affirmatively. President Lee inquired whether the security deposit of \$56,000 would also be at the developer's own

NEW BUSINESS (continued)

risk and Mr. Leo Borregard, Agency General Counsel, indicated that the Agency has no contractual arrangements with the developer since only exclusive negotiations are involved and a deposit will be refundable until an LDA Has been authorized.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 339-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 340-84 BE ADOPTED.

- (p) Resolution No. 341-84 requests authorization of the Yerba Buena Marriott Hotel Design Team consisting of Zeidler-Roberts Partnership and Daniel, Mann, Johnson, and Mendenhall (DMJM) and Vice Principal for Design, Anthony J. Lumsden, FAIA, Yerba Buena Center.

Mr. Hamilton reported on item (p) as follows. The proposed architectural team consists of the Zeidler-Roberts Partnership of Toronto, Architectural Design Consultant, who will open an office in San Francisco and DMJM. of San Francisco, Architectural Documentation Consultants. Anthony J. Lumsden will have significant involvement during the design phases for the hotel. A chronology of Mr. Lumsden's professional career, which is very impressive, has been made available to the Commission. DMJ. recently completed the Ramada Renaissance Hotel, and have demonstrated their ability and experience to prepare the working drawings for this project.

Mr. Mardikian inquired as to the name of the interior designer for the hotel and Ms. Helen Sause, Project Director, Yerba Buena Center, indicated the interior designer has not yet been selected. Mr. Mardikian expressed concern about the interior design and inquired if the proposed action assumed selection of an interior designer. Ms. Sause indicated that the interior design firm would not be calendared for the Commission's consideration since the DDA did not provide for this approval; however, the Commission would be advised and consulted in this matter. Mr. Redmond Kernan, Senior Deputy Executive Director, indicated that the Agency does not control the interior design and Marriott does not have to have Agency approval for the interior design. Ms. Sause noted that Marriott principals are sensitive to the concerns about the interior and in the near future staff will receive a proposal on how this aspect of the hotel is to be designed and the Commission will be kept advised.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 341-84 BE ADOPTED.

- (q) Resolution No. 342-84 requests authorization of a Seventh Amendment adding \$25,000 for a total of \$118,775 to the Personal Services Contract with Rai Y. Okamoto.

NEW BUSINESS (continued)

- (r) Resolution No. 343-84 requests authorization of a Fourth Amendment adding \$7,500 for a total of \$34,500 to the Personal Services Contract with Thomas Aidala.
- (s) Resolution No. 344-84 requests authorization of a Third Amendment adding \$7,500 for a total of \$35,000 to the Personal Services Contract with Hideo Sasaki, Yerba Buena Center.

Mr. Hamilton reported on items (q), (r) and (s) as follows. Architects Mr. Okamoto, Mr. Aidala and Mr. Sasaki comprise the Design Review Panel and have participated in deliberations necessary to enable the Agency review plans for Yerba Buena Gardens. Mr. Okamoto has assisted the Agency in reviewing plans and has provided specialized design comment on specific issues as well as for the past three years participating as liaison between the Agency and the Design Review Panel. Since the Disposition and Development Agreement is now approved, staff believes the services of these consultants are essential to the development of YBG.

Ms. Berk inquired how much longer the services of the architects would be required and Mr. Hamilton indicated approximately four months.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 342-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 343-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 344-84 BE ADOPTED.

- (t) Resolution No. 345-84 requests authorization of a Second Amendment to Personal Services Contract with Peter Adamson for \$25,000 in connection with cost estimating services, Yerba Buena Center.

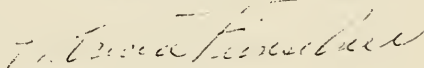
Mr. Hamilton reported on item (t) as follows. In January 1982 a contract was approved in the amount of \$20,000 for services to assist the Agency in analyzing costs for YBC and in May 1983 a First Amendment, increasing the contract by \$10,000 was approved. Mr. Adamson has satisfactorily provided staff with those services. The project will require an increasingly extensive involvement of Mr. Adamson following the effective date of the Development Disposition Agreement now anticipated as December 19, 1984.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 345-84 BE ADOPTED.

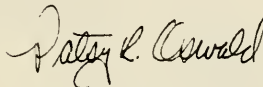
ADJOURNMENT

It was moved by Mr. Mardikian, seconded by Mr. King, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:15 p.m.

Respectfully submitted,



Patricia Feinsilver  
Acting Secretary



Edited by  
Patsy R. Oswald  
Secretary

APPROVED

January 29, 1985





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
18TH DAY OF DECEMBER 1984

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 18th day of December, 1984, the place and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Melvin D. Lee, President  
Leroy King, Vice President  
H. Jesse Arnelle  
Charlotte Berk  
Haig Mardikian  
Walter S. Newman

and the following was absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were John Elberling, Tenants and Owners Development Corporation; Gerald Hanson, Jerry & Johnny's Old Newsman's Bar; Ocie Mae Rogers, Joint Housing Committee; Mary D. James, George A. Nolley, Eiko P. Mizuhara, Golden Gate/Fillmore Partners; John Guinaw-Blaney, First Union Baptist Church; Lewis Nelson, Roosevelt & Altheda K. Carrie; H. Grant Dehart, Heritage; Mary Helen Rogers, Western Addition Project Area Committee (WAPAC); Dale Carlson, SERG; Don Turner, BRIDGE Housing; Louie H. Sherriffe, BARCO; and Darius Aidala, interested citizen.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The second reading of the Yerba Buena Lease for the Moscone rooftop passed the Board of Supervisors on December 17, 1984.
- (b) There will be no Agency meeting December 25, 1984 or January 1, 1985. The next regular meeting will be held on January 8, 1985.

UNFINISHED BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Block 4591-A, Lot 5, Hunters Point.

UNFINISHED BUSINESS (continued)

President Lee opened the public hearing to hear all persons interested in this matter and indicated the Public Hearing would be continued until presentation of the completed documents.

- (b) Resolution No. 329-84 requests authorization of a First Amendment to the Agreement for legal services with the law firm of McCutchen, Doyle, Brown and Enersen, Hunters Point.

Mr. Hamilton reported on item (b) as follows. This law firm has been providing legal services to the Agency under this Agreement since 1979 in connection with Goldrich & Kest, Inc. vs Redevelopment Agency. Three new pieces of litigation have arisen which, although not directly related to the Goldrich & Kest, Inc. litigation, involve similar issues. Therefore, it is logical and desirable that the McCutchen law firm represent the Agency in these new actions. The original contract amount of \$25,000 is almost expended and to enable the law firm to represent the Agency, an increase in the maximum contract amount of \$50,000 is necessary. It is further proposed to amend the Agreement by updating fees, which were established in 1979, to the current rates which are in line with prevailing rates in the Bay Area. The firm's affirmative action profile and report is on hand and is satisfactory.

Mr. Arnelle requested details of the firm's affirmative action program and Mr. Earl Mills, Deputy Executive Director, Community Services, indicated that the firm has a total staff of 384 people, of which 61 are partners and 85 are associate attorneys. In the partner category, there is one minority and in the associate category there are six minorities. Appraisal of the workforce indicates there is a moving up in the firm of minority attorneys at the associate level, and for this reason it is considered an acceptable program. In other categories, there are 15 persons called officials and managers who handle administrative responsibilities, five of whom are minority persons. There is also a strong component of clerical workers who are minorities. Mr. Arnelle indicated he was sure the Commission's commitment to the affirmative action program had been relayed to the managing partners and he would appreciate Agency staff keeping track of the firm's associate program to get an idea of where the movement is and whether they are moving up to the senior associate level to the point where they would be considered for partner level. If there is a turnover in the associate level, without movement towards partnership with regard to minority lawyers, then this is something the Commission would also want to know. Mr. Mills indicated he would gather the requested information and advise the Commission.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 329-84 BE ADOPTED.

NEW BUSINESS

- (a) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcel 755-B, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

Resolution No. 346-84 requests authorization of a Land Disposition Agreement with Golden Gate/Fillmore Partners for the purchase and rehabilitation of the building located at 1300 Golden Gate Avenue/1101-23 Fillmore Street, Western Addition A-2.

Mr. Hamilton reported on item (a) as follows. The subject site is an 11,000 square foot lot improved with a four story wood-framed building containing 31 residential units with approximately 8,300 square feet of commercial space. In September 1984 exclusive negotiations were authorized with Golden Gate/Fillmore Partners, which partnership consists of all partners of the James Company Limited with the exception of one individual. During the exclusive negotiations period the developer was required to submit its partnership agreement and the various documents supporting the financial capacity of the new partnership. The documentation was submitted, however, revisions to the partnership agreement were required in order to meet certain Agency conditions, specifically those regarding preference certificate holder participation in the project. During this period of deliberations, the exclusive negotiations expired. However, all the necessary revisions to the agreement have been made satisfactorily and approved by the Agency's Legal Division. The developer has entered into an agreement with architects Tanner and Vandine to prepare construction documents to conform to current building codes, administer rehabilitation, hire and coordinate any other consultants which may be necessary for development. This kind of professional management experience and capacity is important. The LDA calls for submission of evidence of financing by March 27th and Conveyance of the Site by April 30, 1985. It is believed a demonstration of capacity and performance has been made.

There being no persons wishing to appear regarding this matter, President Lee declared the Public Hearing closed.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 346-84 BE ADOPTED.

- (b) Public Hearing to hear all persons interested in Execution of Deed for Parcel 754-C, Western Addition A-2.

President Lee opened the public hearing to hear all persons interested in this matter.

NEW BUSINESS (continued)

Resolution No. 347-84 requests authorization of Deed and Other Conveyance Instruments in connection with the sale of a condominium located at 1402 Golden Gate Avenue for \$182,000 to Jown Dixon, Bennie R. Craig and Evelyn L. Craig, Western Addition A-2.

Mr. Hamilton reported on item (b) as follows. After processing of the initial group of applicants, the Craigs and their son Jown Dixon, made an application to purchase a unit. They meet the selection criteria of the program and have been approved by First Nationwide Savings to purchase 1402 Golden Gate.

There being no persons wishing to appear regarding this matter, President Lee declared the Public Hearing closed.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 347-84 BE ADOPTED.

- (c) Resolution No. 348-84 requests authorization of a First Amendment to the Personal Services Contract with Mr. Chris Frederiksen, Cultural Consultant, Yerba Buena Center.

Mr. Hamilton reported on item (c) as follows. Mr. Frederiksen has been involved in the development of the cultural program for the past three years and his ongoing services are needed during the next phase of implementing the proposals which will include the formation of the Board of Directors and completion of an Operating Agreement for the cultural facilities. \$6,000 of the \$95,000 grant from Blyth-Zellerbach remains and it is proposed to expend this remaining \$6,000 for Mr. Frederiksen's services, bringing the total contract amount to \$21,000. This particular phase of consultant work is critical to getting the cultural facilities operating initially under controls which are considered appropriate and yet are accessible by the cultural community.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 348-84 BE ADOPTED.

- (d) Resolution No. 349-84 requests authorization of a Sixth Amendment to the Agreement for Legal Services with Shute, Mihaly and Weinberger, increasing the maximum amount payable by \$6,000, Yerba Buena Center and Rincon Point-South Beach.

Mr. Hamilton reported on item (d) as follows. This law firm has been providing specialized legal services to assist in ongoing environmental issues related particularly to land use in YBC and previously in Rincon Point-South Beach. Since the services are no longer available for Rincon Point-South Beach, it is appropriate to delete that project area from the contract. The original contract amount of \$25,000 has been periodically increased to a total amount of \$79,000. Current funds have been expended and the additional \$6,000 is requested to cover in part,



NEW BUSINESS (continued)

past billings, which have been held in abeyance pending approval of this Sixth Amendment. The remaining funds will be available for any YBC work that ensues in the next few weeks necessary to conclude EIR work for YBC.

President Lee indicated it was his understanding that staff anticipates this will be the last funds needed before conclusion of EIR work for YBC and Mr. Hamilton indicated affirmatively.

Mr. Arnelle requested a profile of the firm's affirmative action program. Mr. Earl Mills, Deputy Executive Director, Community Services, indicated that there are four lawyers and there has been no change in staff since 1982, except for the hiring of a minority secretary.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 349-84 BE ADOPTED.

- (e) Resolution No. 350-84 requests authorization to advertise a contract for Demolition and Site Clearance of the buildings located at 81-85 Third Street, 71-77 Third/183 Jessie Streets and 167-181 Jessie Street, Lots 28, 29 and 31 on Block 3707, Yerba Buena Center.

The following persons spoke in favor of preserving the Jessie Hotel for residential use: John Elberling, Director of Projects for Tenants and Owners Development Corporation (TODCO); Grant DeHart, Executive Director for Foundation for San Francisco's Heritage; Dale Carlson, representing San Franciscans for Reasonable Growth, Dario Aidala and Gerald Hanson, Jerry and Johnny's.

A discussion took place between the Commissioners, staff and the public. A recording of that discussion is on file with the Agency Secretary.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT ITEM (e) WOULD BE CONTINUED TO THE MEETING OF JANUARY 8, 1985.

- (f) Resolution No. 351-84 requests authorization of a Policy specifying when Owner Participation Agreements are required for all approved Redevelopment Areas with the exception of Rincon Point-South Beach.

Mr. Hamilton reported on item (f) as follows. All Redevelopment Plans provide for owner participation which is mandated by State Law. The provision for owner participation specified in redevelopment plans and the rules have been oriented toward owner participation at the beginning of the project. They have never adequately addressed the issues of owner participation for a later time in the project or where there are substantial changes to property that either the Agency sold or with respect to which



NEW BUSINESS (continued)

there is already an owner participation agreement. Since the Agency has an obligation and right in all redevelopment plans of architectural review of all construction, a need has been felt for guidelines to address when an owner participation agreement should be required and when owner participation is needed. Agency staff have devised a proposed policy to handle owner participation which is in form of the resolution before you. The reason for the exclusion of Rincon Point-South Beach is that this is a new project area and essentially an owner participation project with a very detailed owner participation plan.

Mr. Leo Borregard, Agency General Counsel, recommended this item be continued until the meeting of January 8, 1985.

MOTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT ITEM (f) BE CONTINUED TO THE MEETING OF JANUARY 8, 1985.

UNFINISHED BUSINESS

President Lee indicated that item (a) under Unfinished Business would now be considered.

- (a) Resolution No. 326-84 requests authorization of a Land Disposition Agreement with Bay Area Residential Investment Development Group (BRIDGE) for Solomon Village property, Block 4591-A, Lot 5, located adjacent to and northeasterly of Mariner's Village in the vicinity of the Hunters Point Redevelopment Area.

Mr. Hamilton reported on item 8 (a) as follows: In November 1984 exclusive negotiations were authorized with BRIDGE, a non-profit organization formed for the express purpose of assisting in the development of affordable housing in the Bay Area. BRIDGE proposes to develop 68 condominiums on the site which is Agency-owned property and 28 units on adjacent Housing Authority-owned property, when acquired, for low- and moderate-income households. The purpose of the negotiations was to support BRIDGE's application for City and Mortgage Revenue Bond Funds for permanent financing, to allow time to prepare a master plan, to finalize details of the agreements between the Agency and BRIDGE with respect to financing of certain site improvements, the sale of the property and the acquisition of the Housing Authority-owned portion of the Solomon Village site. All of that has been accomplished with the exception of the Housing Authority parcel which is expected to become available in the next 90 days. This proposal would develop housing at an average sales price of \$70,000, however, it is not expected the project can absorb full value for the land cost of certain required site improvements and yet achieve that affordable price. Therefore, the Agency budget provides for \$490,000 and an additional \$200,000 has been requested for 1985, specifically for site improvements of the Housing Authority portion of the site. Under the proposed LDA, the Agency would reimburse BRIDGE for site

UNFINISHED BUSINESS (continued)

improvements up to the amount available in the Agency budget and, in turn, BRIDGE has agreed to produce affordable housing and give preference to Agency Certificate holders. City Planning and Agency approval on this particular site may be needed since the subject property is not in an Approved Redevelopment Project Area. However, in structuring the performance dates, the LDA allows time for that contingency. the LDA further provides that the 5% deposit, normally paid by the date of the LDA, be paid no later than January 30, 1985. BRIDGE has indicated that there is a possibility they will enter into a joint venture with a profit motivated developer and staff will consider such an assignment of interest in the LDA providing all conditions of the LDA are indeed complied with and that assignment would then be brought before the Commission for consideration. The entire 96 units are expected to be developed during the calendar year 1985 and key provisions of the LDA are summarized in the documents before you, attached to staff memorandum dated December 5th which is also part of the public record.

Leo Borregard, Agency General Counsel, indicated that the documents that had been awaited and which are now made part of the record make additional provisions to the Disposition Agreement. First, the Department of Housing & Urban Development deed to the property, on its face, appears to limit the available kind of financing to Federally assisted financing or an appropriately approved substitute. It also imposes a certain program of a four-year preservation of the affordable housing program. The HUD deed was really designed for Mariner's Village but it does cover this additional property. The additional provisions which we are suggesting be made part of the Disposition Agreement that you approve would give the Agency time to secure the deletion of these provisions which, it is believed, inhibit low- and moderate-income housing on the site because they limit the kind of program the Agency can use and the kind of program that is available from the Affordable Bond issue from the land price and from Agency assistance in site improvements. This developer indicates that that is sufficient to produce this kind of housing. Therefore, we have to take care of what appears to be a Federal requirement on Federal financing because there is no Federal program available. Time is needed for this and we have allowed six months. During the six-month's period, we will sit down with the developer to develop a complete and thorough program for the low- and moderate-income housing. Essentially, the differences between what you have and what is here is to provide for a six-month period where a program can be developed to our mutual satisfaction. Obviously, if the program cannot be developed, then the agreement would end; however, it is the interest of this Agency and the developer to arrive at an appropriate program for low- and moderate-income housing on this site.

UNFINISHED BUSINESS (continued)

Mr. Don Turner, President of BRIDGE, indicated they share Counsel's optimism in looking forward to going ahead with this project. Financing has been secured at 10.3/4%, thirty year fixed, in the City's Bond issue and the arrangements to date are very pleasing.

There being no further persons wishing to appear regarding this matter, President Lee declared the Public Hearing closed.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 326-84 BE ADOPTED.

NEW BUSINESS (continued)

- (g) Resolution No. 352-84 requests authorization of an Owner Participation Agreement with the First Union Baptist Church in connection with Lot 13 in Block 756, located at the northwest corner of Webster Street and Golden Gate Avenue, Western Addition A-2.

Mr. Hamilton reported on item (g) as follows. In accordance with an LDA authorized in 1976, a new Church and attached one story multi-purpose building were constructed. The owner desires to add one floor of classrooms to the multi-purpose building. There classrooms were originally intended, but for cost reasons at that time did not go forward. Since the proposed improvements are considered "major" modifications, it is desirable an OPA be entered into to ensure architectural control by the Agency and of construction improvements in accordance with the Redevelopment Plan. A Certificate of Completion will be issued upon satisfactory completion of the construction. It is an improvement of the building in a manner which is consistent with the original plans.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 352-84 BE ADOPTED.

- (h) Resolution No. 353-84 requests authorization of a Sixth Amendatory Agreement to the Land Disposition Agreement with Roosevelt and Altheda Carrie for Parcel 683-D(2) located at 2075-89 Sutter Street.
- (i) Resolution No. 354-84 requests authorization of additional funds for the continued temporary accommodation of R. Carrie General Insurance Agency during the rehabilitation of 2075-89 Sutter Street, Western Addition A-2.

Mr. Hamilton reported on items (h) and (i) as follows. In October 1981 an LDA was authorized for purchase and rehabilitation of a three story Victorian building for commercial office use. Subsequent amendments have been approved, the latest in April 1984. The LDA provides for a 12-month construction period commencing from the date of conveyance. The property was

NEW BUSINESS (continued)

conveyed in April 1983 and rehabilitation commenced shortly thereafter. During rehabilitation, various unanticipated problems were encountered with regard to architectural design changes, resulting in construction delays and a substantial funding problem, to such an extent that the contractor suspended his work on March 1, 1984. In addition, the City required a Supplemental Building Permit reflecting past and future changes and, to date, this building permit has not been obtained. The current delay is primarily due to the City's new code requirements which became effective in January 1984 and developers have been working with the Bureau of Building Inspection in efforts to comply with seismic requirements. In addition, in June 1984, developers were informed of a further requirement to conform to the California Energy Conservation Regulations, so a number of new circumstances and conditions have contributed to the delays. An extension from October 6, 1984 to October 5, 1985, is requested to allow the developers time to resolve the numerous problems they have encountered. Additional costs will be incurred as a result of the requested 12-month extension with regard to the temporary relocation and accommodations of R. Carrie General Insurance Agency at the temporary site at 2105 O'Farrell Street, pending completion of rehabilitation at 2075-89 Sutter Street. Additional expenditures for this temporary accommodation have been approved from time to time and a further amount of \$2,720 is requested to cover costs from February 1985 through October 1985.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 353-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 354-84 BE ADOPTED.

- (j) Resolution No. 355-84 requests authorization of a First Amendatory Agreement, extending performance dates for 90 days, to the Land Disposition Agreement with John and Michael O'Neill, Trustées for Karen, James and John O'Neill for Parcel 1126-C located at the southeast corner of Ellis and Broderick Streets, Western Addition A-2.

Mr. Hamilton reported on item (j) as follows. In February 1984 and LDA was authorized with the developer who proposes to construct six market-rate condominiums comprised of two-bedroom, two-bath units at a selling price of \$114,000. Minor design changes have delayed the issuance of a building permit and additional time has been requested to allow time for approval of the building permit and to avoid commencement of construction during the winter months. The Performance Schedule now calls for Conveyance of Site by March 20, 1985 and start of construction by April 17, 1985.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 355-84 BE ADOPTED.



NEW BUSINESS (continued)

- (k) Resolution No. 356-84 requests authorization to write-off delinquent accounts in a total amount of \$3,933.33, Western Addition A-2.

Mr. Hamilton reported on item (k) as follows. There are a total of four delinquent accounts, all of which are vacated accounts. The Agency's Rental Policy and Federal Regulations provide for write-off of delinquent accounts when there are no reasonable prospects of collection. Staff regularly monitor rental accounts and make contact with delinquent tenants which generally results in full payment being made or instigation of a payment schedule. Rent collection for all projects continues to average over 80%.

Mr. Newman noted that, although the amounts are nominal, the time it took writing them off was rather long and inquired whether there was any way to shorten that time and cut losses. Mr. Earl P. Mills, Deputy Executive Director, Community Services, indicated there are many factors to be taken into consideration with delinquencies of that nature and part of it is the lengthy process of allowing a tenant time to correct the situation and, if not corrected, more time is required to get the tenant out of the property. However, the Agency could certainly work towards shortening the time process.

President Lee inquired as to the condition the units were left in and the turn-around time for re-renting them. Mr. Mills indicated there tends to be a problem with the condition of units when a delinquent tenant vacates and it is not usually attempted to re-rent, but only rehouse emergency situations that arise in the community.

Mr. Arnelle indicated that whatever the rent is and the circumstances involved, there is an obligation on the part of the tenant to pay the rent. It was his understanding that the Agency would now not let this extenuate beyond a couple of months before taking action in the future. Mr. Mills replied that several factors influence staff efforts. Most tenants are known personally to Agency staff who are aware of their special problems. It is also important to keep some kind of occupancy in the Agency-owned buildings to ensure they do not become havens for squatters. Another factor is whether or not a tenant is eligible for relocation benefits because then extra steps are taken to find help for them. Mr. Mills indicated that Agency staff would be more vigilant in the future.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 356-84 BE ADOPTED.

- (1) Resolution No. 357-84 requests authorization of an Agreement for Community Development Services with the City and County of San Francisco for 1985.



NEW BUSINESS (continued)

Mr. Hamilton reported on item (1) as follows. The City's final Community Block Grant allocation recommendation for 1985 to the Agency is \$1,467,000 which is \$33,000 less than originally recommended by the Mayor and represents an adjustment which was made by the Board of Supervisors. This reduction has been applied to the allocation of staff salaries and related fringe benefits. A tentative agreement, identical to the 1984 agreement except for the dollar values, has been forwarded to the City. The draft agreement authorizes the Agency to expend \$12,604,957 from 1985 funds.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 357-84 BE ADOPTED.

- (m) Resolution No. 358-84 requests authorization of a First Amendment to California Dental Service (CDS) Agreement.
- (n) Resolution No. 359-84 requests authorization of a First Amendment to the Memorandum of Agreement with United Public Employees Local 390/400.
- (o) Resolution No. 360-84 requests authorization of a First Amendment to the Memorandum of Agreement with International Federation of Professional and Technical Engineers, Local 21.

Mr. Hamilton reported on items (m), (n) and (o) as follows. In January 1984 two agreements were authorized with Union Local 390/400 and the International Federation of Professional and Technical Engineers, Local 21, for a basic dental plan effective February 1, 1984 and orthodontia benefit effective February 1, 1985. At the same time a basic dental plan for all Agency employees was approved. Premium cost for the orthodontia benefits for the first twelve months was avoided by negotiating the Union Agreements in such a manner that this benefit could be added in 1985 with no waiting period for benefits. As a formality, the CDS Agreement now requires amendment to add this benefit. During Union Negotiations an estimate was received for orthodontia coverage through CDS providing for \$2.00 per month for an individual and \$2.62 for family coverage, however, a revised estimate was received resulting in the distribution of costs falling more heavily on the employee than anticipated. After evaluation, it appears the most equitable solution is to amend the CDS plan to add the orthodontia benefit and amend the two Union Agreements to provide that the Agency will pay 100% of the employee costs of the orthodontia benefit and 80% of the dependent cost.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 358-84 BE ADOPTED.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 359-84 BE ADOPTED.

NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 360-84 BE ADOPTED.

- (p) Resolution No. 361-84 requests authorization of a Personal Services Contract with William M. Mercer-Meidinger, Inc. and Report on Findings of Joint Benefits Committee.

Mr. Hamilton reported on item (p) as follows. A Joint Management/Union Benefits Committee, comprised of six Agency staff members, was established to consider various means of containing the cost of employee benefits without an additional net increase in the total cost of benefits to the Agency. Major cost items in Agency benefit plans are the retirement and health plans which represent 62% of total benefit plan costs. Undoubtedly the retirement plan could be designed costing less than the current PERS plan, however, the Agency cannot participate in the PERS health plan unless it is a participant in the Public Employees' Retirement System. In addition to 135 active Agency employees, 55 retirees receive their health benefits through PERS which creates another problem when considering alternatives to PERS. Before withdrawal from the PERS retirement plan can be considered, an acceptable alternative to the PERS health plans needs to be found and it is for this reason Mercer-Meidinger was requested to solicit bids to find alternate coverage. Of the seven providers solicited only Blue Cross responded, offering two plans similar to the current PERS Blue Cross/Blue Shield plan design but considerably more expensive. It was concluded that consideration of an alternative to the PERS health plans was not possible without substantially reducing health benefits and therefore this was not pursued. Various costs containment approaches were also considered by the Committee, resulting in an optional salary reduction plan being found to be the best solution in achieving savings to the Agency and employees in benefit costs. Exhibits "A" and "B" have been made available to you providing details of the effects of the proposed salary reduction plan. A short feasibility study by the consultant of the proposed salary reduction plan is considered desirable to ensure it will meet all State and Federal requirements and fit in with the Agency's other benefit plans. A proposal has been submitted by Mercer-Meidinger to conduct the study in an amount not to exceed \$5,000. Prior to implementation of the proposed plan, results of the study will be brought before the Commission for consideration and review.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 361-84 BE ADOPTED.

- (q) Public Hearing to hear all persons interested in a Land Disposition Agreement for Parcels T-1 through T-5 and Parcel T-7, Hunters Point.

President Lee opened the public hearing to hear all persons interested in this matter.

NEW BUSINESS (continued)

Resolution No. 362-84 requests authorization of a Land Disposition Agreement with A.T.A.P. International, Inc. for Parcels located on the southeasterly side of Hudson Avenue at Keith Street, Hunters Point.

Mr. Hamilton reported on item (q) as follows. Exclusive negotiations were authorized with the developer in 1984 and the period of exclusive negotiations was extended on November 13th to December 19, 1984. A.T.A.P., a minority-owned development company, proposes to build nine attached single family homes, each with a two car garage. The developer has reserved \$755,100 in the current City Mortgage Revenue Bond Program for permanent financing and expects to commence construction in the early summer of 1985. A Lis Pendens was placed on the property, however, this pertains to previously conveyed lots and not to the present lots. Agency Counsel has been in contact with the attorney for the party that placed the Lis Pendens in error on the property and has been assured it will be removed well in advance of the scheduled conveyance date. In addition, the LDA provides the Agency may terminate the agreement, without penalty, or the developer and lender may agree to take the property on terms satisfactory to the Agency, subject to the Lis Pendens. The Bayview Joint Housing Committee has reviewed the proposal and has expressed enthusiasm for this project.

There being no persons wishing to appear regarding this matter, President Lee declared the Public Hearing closed.

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 362-84 BE ADOPTED.

- (r) Resolution No. 363-84 requests authorization of Site Improvement Contract No. 33 with Shooter and Butts, Inc. in an amount of \$18,277, on basis of lowest bid received, Hunters Point.

Mr. Hamilton reported on item (r) as follows. The contract provides for planting of 45 street trees in La Salle Heights in Sites S-1 and S-2. Five bids were received, with the lowest being from Shooter & Butts, Inc. The Engineer's estimate is \$20,086. A meeting was held December 5, 1984 to review the low bidder's Affirmative Action and Safety Programs which were found satisfactory. Shooter & Butts have previously performed satisfactory work for the Agency in Hunters Point.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MS. BERK, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 363-84 BE ADOPTED.

- (s) Resolution No. 364-84 requests authorization of a Personal Services Contract in an amount not to exceed \$100,000 for Geotechnical Services, Rincon Point-South Beach.

NEW BUSINESS (continued)

Mr. Hamilton reported on item (s) as follows. In November 1984 Contract I - Harbor was awarded to lowest bidder Riedel International, Inc. and two new Personal Services Contracts were authorized to provide materials testing and surveying support services. The proposed contract with Harding Lawson for geotechnical construction services will provide the balance of necessary support services which include training of the Agency's pile driving inspector, continuous on-site presence during the contractor's test pile program, monitoring of the production pile program and other construction inspection services as may be necessary and as directed by the Agency. Harding Lawson has provided geotechnical design services for Contract I - Harbor, demonstrating their competence and have previously performed satisfactory work for the Agency. Compensation will be made based on actual time and materials utilized and funds are available from the sale of harbor revenue notes.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 364-84 BE ADOPTED.

- (t) Resolution No. 365-84 requests authorization to purchase an IBM III-60 copier presently leased by the Agency and execute a related maintenance agreement.

Mr. Hamilton reported on item (t) as follows. The subject copier has been leased from IBM for the past eighteen months and has provided excellent service. A decision must be taken to either extend the lease or purchase the copier. Lease costs will increase effective January 1, 1985 by at least 6.8%. The copier can be purchased for \$15,730.05 by applying \$11,000 of purchase credits accrued under the Lease Agreement, together with a maintenance agreement at a cost of approximately \$430 per month. Agency funds are available to make this proposed purchase.

ADOPTION: IT WAS MOVED BY MR. ARNELLE, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 364-84 BE ADOPTED.

- (u) Resolution No. 366-84 requests authorization to purchase two vehicles after disposing of seven older vehicles.

Mr. Hamilton reported on item (u) as follows. At present the Agency has 23 vehicles for staff use, ranging from two to seventeen years old, many in need of constant repair and continuing replacement of parts. It is proposed to sell 5 vehicles currently assigned to the Property Management Staff to be replaced by one small pick-up and sell two 1972 vehicles assigned to Central Office Staff, to be replaced by one small sedan. Funds are available from the 1984 budget to purchase two vehicles in a total amount not to exceed \$16,500. The seven vehicles will be disposed of by sealed bid and the proceeds will assist in reducing the total cost of the two new vehicles.



NEW BUSINESS (continued)

ADOPTION: IT WAS MOVED BY MR. NEWMAN, SECONDED BY MR. ARNELLE, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 366-84 BE ADOPTED ON THE CONDITION THAT THE TWO VEHICLES TO BE PURCHASED BE AMERICAN MADE.

(v) ELECTION OF OFFICERS

The Agency's Bylaws require that an annual election of Officers be held at the last regular meeting of the year or the first meeting of the new year. The positions to be elected are President and Vice President and their terms will be from January 1, 1985 to December 31, 1985. Also, a motion will be called to retain the appointed officers of Executive Director, Wilbur W. Hamilton; Senior Deputy Executive Director, Redmond F. Kernan; Secretary, Patsy Oswald; and Treasurer, Harold Bell, all of whom shall hold these positions at the pleasure of the Agency.

ADOPTION: IT WAS MOVED BY MS. BERK, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT MR. KING BE ELECTED PRESIDENT.

ADOPTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. MARDIKIAN, AND UNANIMOUSLY CARRIED THAT MR. NEWMAN BE ELECTED VICE PRESIDENT.

With regard to the motion called to retain Agency staff, Ms. Berk inquired whether this would be done automatically every year. Mr. Oster indicated that under the Bylaws the appointed officers serve at the pleasure of the Agency Commission. They can be changed at any time so it is not necessary that it be for one year or any specified term. It is only necessary this action be taken today because of an implication created last year that the term was for one year. This will clarify that they serve at the pleasure of the Commission and not for a specific length of time.

ADOPTION: IT WAS MOVED BY MR. MARDIKIAN, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT THE APPOINTED OFFICERS OF EXECUTIVE DIRECTOR, WILBUR W. HAMILTON; SENIOR DEPUTY EXECUTIVE DIRECTOR, REDMOND F. KERNAN; SECRETARY, PATSY OSWALD; AND TREASURER, HAROLD BELL; BE RETAINED IN THESE POSITIONS AT THE PLEASURE OF THE AGENCY.

Mr. Hamilton congratulated President Lee for his fine service during his two-year term as President and indicated he looked forward to the continuing pleasure of serving with Mr. King and Mr. Newman.

Mr. King, as incoming President, thanked President Lee for the great job he had done during his term as President.

Mr. Newman congratulated President Lee, noting that the past two years had probably been the most difficult years the Redevelopment Agency had ever been through and the Commission had been very well represented by President Lee.



NEW BUSINESS (continued)

President Lee expressed his appreciation of the cooperation of the Commissioners and also of Agency staff who had had to cope with a great deal of questioning, particularly with regard to the Yerba Buena Center and Rincon Point-South Beach project areas.

MATTERS NOT APPEARING ON THE AGENDA

- (a) Mr. Hamilton reported on item (a) as follows. There had been a special appearance request from BARCO Developers regarding their desire for an extension of the termination date of the Land Disposition Agreement for Parcel AA-2 located on the north side of Keith Street between Fairfax and Hudson Avenues, Hunters Point. The Land Disposition Agreement expires on December 27 and it is the desire and right of the developer to appear before the Commission before that expiration date. Staff does not recommend and extension, however, it is believed the developer should have an opportunity to address the Commission.

Mr. Louis H. Sherriffe, BARCO Developers, indicated that an extension was being requested because of problems with obtaining construction loan financing. In reply to questions from the Commissioners, Mr. Sherriffe gave details of the problems that had been encountered with the Bank of American, resulting in the present intention of BARCO Developers to arrange financing through Continental Savings.

Mr. Hamilton explained that the Agency was concerned with respect to this development in that information had been received that the developers were very close to going forward with the development at a time when the developer had secured a commitment in the City's Mortgage Revenue Program which required the payment of a fee in order to secure same. BARCO then presented the Agency with a proposal to defer payment of the land cost in order to make the financial package work, however, as a matter of policy on market-rate development, the Agency is unwilling to do so. It is of concern that the reservation of Mortgage Revenue Financing with the City was not secured by the payment of the required fee which was caused by the apparent unwillingness on the part of the developer to pay the fee.

Mr. Sherriffe indicated that BARCO has one million dollars of bond money with the California Housing Finance Agency (CHFA) who would let them have another million dollars once the project starts and a letter acknowledging that was sent to the Agency.

Mr. Richard Kono, Chief of Real Estate, confirmed a million dollar commitment had been received from CHFA, however, the Commitment Manager for CHFA had been contacted who indicated additional funds could not be allocated to the project at this time but if loans under the first commitment meet CHFA's standards, and are closed in a timely fashion, CHFA would be receptive to BARCO's request for another allocation. Therefore, it is a very conditional commitment at this stage.

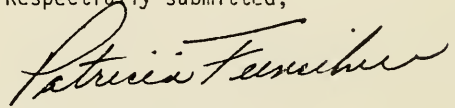
MATTERS NOT APPEARING ON THE AGENDA (continued)

MOTION: IT WAS MOVED BY MR. KING, SECONDED BY MR. NEWMAN, AND UNANIMOUSLY CARRIED THAT THE TERMINATION DATE OF THE LAND DISPOSITION AGREEMENT WITH BARCO DEVELOPERS BE EXTENDED TO JANUARY 16, 1985.

ADJOURNMENT

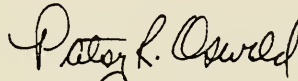
It was moved by Mr. King, seconded by Mr. Mardikian, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:20 p.m.

Respectfully submitted,



Patricia Feinsilver  
Acting Secretary

Edited By



Patsy R. Oswald  
Secretary

APPROVED

June 18, 1985











